

Department of Public Health  
and Human Services

Section:  
INDEXES

FOOD STAMP PROGRAM

Subject:  
Table of Contents

<b><u>SECTION NUMBER</u></b>	<b><u>SUBSECTION # TITLE/ CONTENT</u></b>	<b><u>DATE ISSUED/REVISED</u></b>
<b>0-1</b>	<b><u>TABLE OF CONTENTS</u></b>	04/01/08
<b>0-2</b>	<b><u>ALPHA SUBJECT INDEX</u></b>	04/01/07
<b>0-3</b>	<b><u>INTRODUCTION</u></b>	10/01/05
<b>0-4</b>	<b><u>GLOSSARY</u></b>	10/01/06
<b>001</b>	<b><u>TABLE OF STANDARDS: GMI &amp; NMI</u></b>	10/01/07
<b>002</b>	<b><u>TABLE OF STANDARDS: THRIFTY FOOD PLAN</u></b>	10/01/07
<b>003</b>	<b><u>FOOD STAMP ALLOTMENT PRORATION TABLE</u></b>	07/17/84
<b>100</b>	<b><u>APPLICATION PROCESSING</u></b>	
101-1	Confidentiality	10/01/06
102-1	Civil Rights	04/01/08
102-2	General Complaint Procedures	08/01/00
103-1	Application Filing/Interview Process	10/01/07
103-3	Household Rights and Responsibilities	10/01/07
103-5	Verification	10/01/06
103-6	Voter Registration	02/01/00
103-7	Authorized Representative	04/01/05
104-1	Application Approval or Denial	04/01/08
104-4	Re-application/Revert to Open	10/01/04
105-1	Expedited Services	04/01/06
105-2	Destitute Migrant/Seasonal Farm Workers	12/01/98
<b>200</b>	<b><u>HOUSEHOLD COMPOSITION</u></b>	
201-1	Household Composition	04/01/07
201-2	Parental Control	08/01/01
201-3	Foster Children/Adults	04/01/05
201-4	Boarders	08/01/00
201-5	Students	10/01/06
201-6	Group Homes	10/01/05
201-7	Residents-Drug/Alcohol Treatment/Rehabilitation Programs	10/01/06
201-8	Shelters for Battered Adults and Children	10/01/05
201-9	Dual Participation-Commodities/Food Stamp Program	04/01/08

<b><u>SECTION NUMBER</u></b>	<b><u>SUBSECTION # TITLE/ CONTENT</u></b>	<b><u>DATE ISSUED/REVISED</u></b>
<b>300</b>	<b><u>NONFINANCIAL REQUIREMENTS</u></b>	
	301-1 Citizenship	10/01/02
	301-2 Eligible Alien Status	10/01/07
	301-3 Sponsored Aliens	10/01/04
	303-1 Social Security Number	10/01/03
	304-1 Categorical Eligibility	04/01/05
<b>400</b>	<b><u>RESOURCES</u></b>	
	400 Overview	10/01/07
	400-1 Resource Alpha Index	04/01/05
	401-1 Ownership/Accessibility/Equity	07/01/02
	402-1 Countable and Excluded Resources	04/01/05
	402-2 Native American Resources	07/01/02
	402-3 Trust Funds	07/01/02
	403-1 Vehicles	10/01/05
	404-1 Transfer of Resources Disqualification	10/01/06
<b>500</b>	<b><u>INCOME</u></b>	
	500 Overview	10/01/04
	500-1 Income Alpha Index	04/01/06
	501-1 Unearned Income	04/01/08
	501-2 Native American Income	04/01/05
	502-1 Earned Income	04/01/08
	503-1 Self-Employment Income	04/01/08
<b>600</b>	<b><u>ELIGIBILITY AND BENEFIT DETERMINATION</u></b>	
	601-1 Prospective Budgeting	04/01/07
	602-2 Deductions (Earned, Standard, Dependent Care and Child Support)	10/01/07
	602-3 Deductions (Medical)	04/01/08
	602-4 Deductions (Shelter)	10/01/07
	602-5 Non-compliance Adjustment	04/01/08
<b>700</b>	<b><u>WORK REGISTRATION</u></b>	
	700 Overview	10/01/07
	701-1 Work Registration Exemptions	04/01/07
	702-2 Food Stamp Employment and Training	10/01/07

<b><u>SECTION NUMBER</u></b>	<b><u>SUBSECTION # TITLE/ CONTENT</u></b>	<b><u>DATE ISSUED/REVISED</u></b>
	Referrals	
703-1	Good Cause	04/01/03
704-1	Unsuitable Employment	10/01/05
705-1	Disqualification	10/01/07
<b>800</b>	<b><u>ABLE-BODIED ADULTS WITHOUT DEPENDENTS (ABAWD)</u></b>	
800	Overview	04/01/06
801-1	Time Clock Exemptions	04/01/06
802-1	Geographic Waiver	10/01/07
803-1	Disqualification/Regaining Eligibility	10/01/07
<b>900</b>	<b><u>ISSUANCE</u></b>	
900	Overview	04/01/03
901-1	Replacement Conditions	10/01/07
901-2	Replacement Codes	02/01/02
902-1	Montana Access Card Returned/Re-mailed	10/01/04
903-1	Montana Access Card (EBT) Replacements	04/01/03
905-1	Montana Access EBT Expungements	04/01/03
<b>1500</b>	<b><u>CASE MANAGEMENT</u></b>	
1500	Overview	02/01/02
1501-1	Reporting Requirements	10/01/03
1501-2	Mass Change	04/01/03
1501-3	Six Month Reporting Requirements	10/01/07
1501-4	Change Reporting Requirements	10/01/05
1501-5	Adding/Removing Household Member	10/01/07
1502-1	Recertification	10/01/07
1503-1	Notice of Adverse Action	04/01/05
1504-1	Over Issuance	04/01/08
1504-2	Under Issuance	04/01/08
1504-3	Cash Management	04/01/08
1505-1	Intentional Program Violation	04/01/08
1506-1	Requesting a Fair Hearing/Continuation of Benefits	04/01/06
1506-2	Administrative Review	04/01/06
1506-3	Fair Hearing Procedure	04/01/06

Section: INDEXES

Subject: Table of Contents

<b><u>SECTION NUMBER</u></b>	<b><u>SUBSECTION # TITLE/ CONTENT</u></b>	<b><u>DATE ISSUED/REVISED</u></b>
	1506-4 Board of Public Assistance Appeal and Judicial Review	04/01/04
	1507-1 Case Notes	01/01/06
	1508-2 Program Compliance Reviews	10/01/07
	1510-1 Case File Retention/Archive/ Destruction	01/01/06
	1511-1 Case File Organization	01/01/06
	1512-1 Case Transfer	01/01/06
<b>1600</b>	<b><u>FORMS</u></b>	
	1600 Forms List	04/01/08
<b>1700</b>	<b><u>DIRECTORIES</u></b>	
	1701-1 Tribal and Indian Agency Offices	04/01/03
	1702-1 FSET Operators	04/01/03
	1704-1 Nutrition Education Programs	04/01/03

TP

Department of Public Health and Human Services	Section: INDEXES
	Subject: Alpha Subject Index

Supersedes: FS 0-2 (10/01/05)

## ALPHABETICAL SUBJECT INDEX

### A

Able Bodied Adults Without Dependents (ABAWD) overview .....	800
ABAWD, disqualification/regaining eligibility.....	803-1
ABAWD exemptions .....	801-1
ABAWD, geographic waiver.....	802-1
Action on changes .....	1501-3; 1501-4
Adding household members .....	1501-5
Adequate notice only .....	1503-1
►Administrative disqualification hearing process and appeals (IPV).....	1505-1
Administrative error claims .....	1504-1
Administrative review (fair hearing) .....	1506-2
Adoption subsidies.....	501-1
Adverse action (notice of) and definitions .....	1503-1
Agency caused errors.....	1504-1
Alcohol and Drug treatment programs.....	201-7
Alien sponsors, resources of and income of .....	301-3
Aliens.....	301-2
Allotment determination (categorical eligibility).....	304-1
Allotments, initial and minimum .....	104-1
Allotment reduction - methods of repayment .....	1504-1
Allotment reduction (non-compliance adjustment).....	602-5
American Indians born in Canada .....	301-2
Annualizing, Anticipating or Averaging income/expenses.....	601-1
Application approved .....	104-1
Application denied .....	104-1
Application form, where to apply.....	103-1
Application processing (categorical eligibility).....	304-1
Application processing (general complaints) .....	102-2
Application processing (TEAMS) .....	103-4
Application (redetermination).....	1502-1
Applications, repeat expedited.....	105-1
Approval of application .....	104-1
Assistance unit .....	201-1
Authorized representative.....	103-1; 103-7;
.....	201-6

**B**

Battered adults & children, shelters for .....	201-8
Board of appeals (fair hearing) .....	1506-4
Boards definition of .....	201-4
Boards, income from and determining cost of doing business .....	503-1
Budgeting, prospective .....	601-1
Business checking accounts.....	402-1

**C**

Case file organization .....	1511-1
Case management overview .....	1500
Case notes .....	1507-1
Case transfer .....	1512-1
Cash management.....	1504-3
Categorical eligibility .....	304-1; 400
Changes, mass.....	1501-2
Changes, missing information or verification .....	1501-3; 1501-4
Changes, methods of reporting .....	1501-1
Changes, six month reporting.....	1501-3
Changes, reporting requirements .....	1501-4
Child support deduction .....	602-2
Citizenship by birth, naturalization or derived from parent.....	301-1
Citizenship criteria for participation (U.S.).....	301-1
Civil rights .....	102-1
Claimant's rights (fair hearing) .....	1506-3
Claims and Recovery Unit .....	1504-1
Client rights and responsibilities .....	103-3
Collateral contact.....	103-5
Combat pay.....	501-1
Combined allotments.....	104-1
Commodities/dual participation.....	201-9
Complaint procedure (civil rights) .....	102-1
Complaint procedure (non-civil rights) .....	102-2
Completion of the application form .....	103-1
Confidentiality/disclosure .....	101-1
Continuation of benefits (fair hearing).....	1506-1
Cooperate, refusal to .....	104-1; 705-1;
.....	1504-1
Cost of doing business, determining.....	503-1

**D**

Date of application .....	103-1
Deduction, child support .....	602-2
Deduction, dependent care .....	602-2
Deduction, earned income .....	602-2
Deduction, medical (elderly or disabled) .....	602-3
Deduction, shelter and utility .....	602-4
Deduction, standard .....	602-2
Deemed income and resources of sponsored aliens .....	303-1
Delays caused by county office (application processing) .....	104-1
Delays caused by household (application processing) .....	104-1
Deleting household members .....	1501-5
Denial of application .....	104-1
Destitute and expedited service, screening for .....	103-1
Destitute migrant/seasonal farm workers .....	105-2
Determining household composition .....	201-1
Determining income - self-employment & farmers .....	503-1
Disabled indicator .....	001; 500;
.....	602-4
Disaster Unemployment .....	501-1
Disqualification, drug felony .....	201-1
Disqualification, (SSN) .....	303-1
Disqualification, (work registration) .....	705-1
Disqualification, imposition of (ADH) and penalties .....	1505-1
Disqualification period - transfer of resources .....	404-1
Disqualified members, resources of .....	400
Disqualified sponsored alien .....	301-3
Drug and Alcohol treatment rehabilitation programs .....	201-7
Dual participation/commodities/food stamps .....	201-9

**E**

EBT, Montana Access Card .....	900
Earned income - countable and excluded .....	502-1
Earned income deduction .....	602-2
Earned income, verifying .....	500
Educational income .....	402-1; 504-1
Elderly or disabled, medical deduction for the .....	602-3
Eligibility and benefit determination (overview) .....	500
Eligibility, categorical .....	304-1
Eligibility criteria - aliens .....	301-2
Eligibility criteria - expedited services .....	105-1
Eligibility factors, financial .....	400; 500
Eligibility - strikers .....	201-1
Eligible students, certify as .....	201-5

Emancipation .....	201-2
Employment related payment. ....	501-1
Ending disqualification (SSN) .....	303-1
Ending disqualification (work registration) .....	705-1
Error claims, administrative (agency) or inadvertent household .....	1504-1
Establishing a claim, when not to.....	1504-1
Establishing a claim (over issuance).....	1504-1
Excluded income - earned.....	502-1
Excluded income - unearned .....	501-1
Exclusions, resource.....	402-1
Exempt from work registration, individuals. ....	701-1
Exempt from ABAWD provision, individuals .....	801-1
Expedited services.....	105-1
Expedited service, screening for destitute .....	103-1
Expunged benefits, applied to claims.....	1504-1
Expungement, Montana Access EBT .....	905-1

**F**

Factoring, income .....	601-1
Failure to appear (admin. review, fair hearing) .....	1506-2
Failure to comply - providing SSN .....	303-1
Failure to comply - work registration.....	702-1; 705-1
Failure to comply - means tested program .....	602-5
Fair hearing, appeal of.....	1506-4
Fair hearing, judicial review .....	1506-4
Fair hearing procedure .....	1506-3
Family self-sufficiency (HUD) .....	402-1
Farmers, self-employment.....	503-1
Farm workers, destitute migrant/seasonal .....	105-2
Felony.....	201-1
Filing an application .....	103-1
Filing unit .....	201-1
Financial eligibility factors .....	400; 500
Food Distribution Programs on Indian Reservations (FDPIR) .....	201-9
Food stamp replacement codes .....	901-2
Food stamp replacement conditions .....	901-1
Food stamp replacement - destroyed food .....	901-2
Formal Administrative Disqualification hearing .....	1505-1
Foster children/adults (household members).....	201-3
Foster children/adults, income of.....	501-1
Forms .....	1600
Fugitive felons. ....	201-1



**G**

Gifts of money .....	501-1
Glossary .....	0-4
Good cause, general work registration .....	703-1
Good cause, failure to provide a SSN .....	303-1
Good cause, voluntary quit or reduction of hours .....	703-1
Group homes .....	201-6
Group home living arrangements .....	201-6

**H**

Hearing, administrative disqualification (IPV) .....	1505-1
Hearing officer (fair hearing) .....	1506-3
Hearsay as evidence (fair hearing) .....	1506-3
Homes, group .....	201-6
Household caused errors .....	1504-1
Household composition .....	201-1
Household cooperation - application filing .....	103-1
Household members - adding .....	1501-5
Household members - deleting .....	1501-5

**I**

Identity .....	103-5; 105-1
In-kind income - earned .....	502-1
In-kind income - unearned .....	501-1
Inadvertent household error claims .....	1504-1
Incarceration (household composition) .....	201-1
Income (overview) .....	500
Income, alpha index .....	500-1
Income, annualizing, anticipating, averaging and factoring .....	601-1
Income deduction, earned .....	602-2
Income, deemed from sponsor of alien .....	301-3
Income excluded - earned .....	502-1
Income excluded - unearned .....	501-2
Income not counted .....	601-1
Income, prospectively determining .....	601-1
Income of disqualified members .....	500
Income and resources of an ineligible student .....	201-5
Income standard - GMI/NMI .....	001
Income, terminated .....	601-1
Indian, tribal agency offices .....	1701-1
Indian Income and Resources (see Native American Income and Resources)	
Ineligible aliens .....	301-1
Ineligible alien or disqualified person, resources .....	400

## Section: INDEXES

## Subject: Alpha Subject Index

Intentional program violations .....	1505-1
Interview (expedited) .....	105-1
Interview process .....	103-1
Introduction, vision/mission/philosophy.....	0-3
Issuance .....	900

**J**

Job quit.....	703-1
Jointly-owned resources.....	401-1
Jointly-owned vehicles.....	403-1
Joint custody.....	201-1

**K****L**

LAPR - lawfully admitted status/alien.....	301-2
Leased vehicles.....	403-1
Licensed vehicles .....	403-1
Liquid resources .....	401-1; 402-1
Loss of exempt status - work registration .....	701-1
Lost benefits, restoration of. ....	901-1
Lump sum.....	402-1; 501-1
.....	502-1

**M**

Management, case .....	1500
Mandatory verification.....	103-5
Mass changes .....	1501-2
Mass change (fair hearing) .....	1506-1
Mass change (notices).....	1503-1
Medical deduction for the elderly or disabled.....	602-3
Medical expenses (group home residents) .....	201-6
Methods of repayment.....	1504-1
Methods of verification.....	103-5
Migrant/seasonal farm workers, destitute .....	105-2
Montana Access Card Expungement .....	905-1
Montana Access Card Returned/Re-mailed .....	902-1
Motor voter .....	103-6

**N**

Native American Income.....	501-2
Native American Resources .....	402-2

Naturalization, citizenship by .....	301-1
New to the household, members. ....	1501-5
Noncompliance-adjustments .....	602-5
Noncompliance - quality control.....	103-1
Non-liquid resources.....	401-1
Notice of adverse action/definitions and time frames. ....	1503-1
Notice, adequate only .....	1503-1
Notice is not required.....	1503-1
Notification of work registration.....	700
Nutrition Education Program.....	1704-1

**O**

Offsetting Claims.....	1504-1;1504-2
OPA, determining responsible.....	103-1
OPA staff, applications by.....	103-1
Over issuance.....	1504-1

**P**

Parental control .....	201-2
Personnel. ....	101-1
Pre-disqualification hearing. ....	1505-1
Probation/parole violators. ....	201-1
Procedure (Administration Disqualification Hearing).....	1505-1
Procedures for expedited services .....	105-1
Procedure (Intentional Program Violation).....	1505-1
Procedure for prospective budgeting.....	601-1
Procedure to determine over issuance .....	1504-1
Process, appeals (Administrative Disqualification Hearing).....	1505-1
Processing the application.....	103-1
Processing delays .....	104-1
Program Compliance, reviews.....	1508-2
Program purpose and scope. ....	0-3
Property in probate .....	402-1
Proration table .....	003
Prosecution for fraud .....	1505-1
Prospective budgeting (income and expenses) .....	601-1
Purging. ....	1510-1

**Q**

Qualified alien.....	301-2
Quality control review (non-compliance).....	104-1
Questionable citizenship.....	301-1

**R**

Real property .....	402-1
Reapplication .....	104-4
Records retention/purging .....	1510-1
Recertification process including interview .....	1502-1
Reduction, allotment .....	1504-1
Refusal to cooperate. ....	104-1; 303-1
.....	705-1; 1504-1
Reimbursements .....	501-1
Release of confidential information.....	103-5
Repayment methods. ....	1504-1
Reporting and acting on changes .....	1501-1
Reporting requirements-redetermination .....	1502-1
Reporting, six month requirements .....	1501-3
Representative, authorized.....	103-7
Requesting a fair hearing.....	1506-1
Rescheduling interviews .....	103-1
Residency .....	103-5
Residents, drug/alcohol treatment/rehabilitation .....	201-7
Residents, group home.....	201-6
Residents of public institutions or shelters (expedited processing).....	105-1
Resource eligibility .....	400
Resources, alpha index .....	400-1
Resources, deemed (sponsored alien) .....	402-1
Resources of disqualified members.....	400
Resources of an ineligible student, income and .....	201-5
Responsibility, administrative (ADH).....	1505-1
Restoration of lost benefits .....	901-2
Retroactive Social Security payments .....	402-1
Reverse mortgage .....	500-1; 501-1
Rights and responsibilities (FA-220) .....	103-3

**S**

S.A.V.E. procedure .....	301-2
Scheduling interviews. ....	103-2
School breakfast/lunch program notice.....	104-1;1502-1
Screening for destitute/expedite services. ....	103-1
Seasonal farm workers, destitute migrant or. ....	105-2
Self-declaration status. ....	103-3
Self-employment and farmers.....	503-1
Separate household status .....	201-1
Shelter costs.....	602-4
Shelter (group home residents) .....	201-6
Shelters for battered adults & children.....	201-8
Significant Return.....	401-1;103-1

Section: INDEXES

Subject: Alpha Subject Index

Social Security Administration, application, filed by .....	103-1
Social Security numbers. ....	303-1
Social Security payments, retroactive .....	402-1
Sources of verification .....	103-5
Special needs trusts .....	402-3
Special processing (income).....	500
Special processing (expedited for homebound).....	105-1
Sponsored aliens. ....	301-3
Standard deduction .....	602-2
Standard utility allowance (SUA) .....	602-4
Standard utility allowance (SUA/expedited).....	105-1
Start date of disqualification period.....	1505-1
Status (S.A.V.E.), verification of alien .....	301-1
Storage (case file storage).....	1510-1
Strikers. ....	201-1
Student, income and resources of an ineligible .....	201-5
Students, certify as eligible.....	201-5
SUA (see standard utility allowance) .....	602-4
Suitable employment (see unsuitable)	

I

Table of contents. ....	01
Table of standards. ....	001
TANF benefits, applications for.....	103-1
TANF supplement payment for Child Support.....	501-1
TEAMS process (SSN).....	303-1
TEAMS process (ADH).....	1505-1
Terminated income .....	601-1
Thrifty food plan.....	002
Timely notice .....	1503-1
Transfer of resources .....	404-1
Treatment of excluded resources .....	402-1
Tribal Indian agency offices .....	1701-1
Trust funds (irrevocable).....	402-3

U

Under issuance.....	1504-2
Unearned income - countable.....	501-1
Unearned income - excluded.....	501-2
Unearned income, verifying.....	500
Unlicensed vehicles. ....	403-1
Unsuitable employment .....	704-1
Utility expenses .....	602-4

V

Vehicles .....	403-1
Vehicle exclusion.....	403-1
Verification and documentation .....	103-5
Verification for expedited services .....	105-1
Verification of alien status (S.A.V.E.)/citizenship .....	301-1
Verification of residency.....	103-5
Verification (categorical eligibility).....	304-1
Verification, sources and methods of.....	103-5
Verification (vehicle) .....	403-1
Verifying income.....	500
Verification, missing information or .....	1501-3;
.....	1501-4
Violations, intentional program .....	1505-1
Voluntary quit.....	703-1
Voluntary withdrawal (of application). .....	104-1; 104-2
Voter registration .....	103-6

W

Waiver of administrative review (fair hearing).....	1506-2
Waiver of office or face-to-face interview.....	103-1
Waivers/Exemptions .....	802-1
When applications can be filed .....	103-1
Where applications can be filed.....	103-1
Work registration disqualification/ending disqualification .....	705-1
Work registration exemptions. ....	701-1
Work registration, FSET referrals .....	702-2
Work registration - good cause.....	703-1
Work registration - requirements .....	702-1
Work registration - unsuitable employment.....	704-1
Work registration waiver .....	700
Work study income .....	504-1
Work support payment (WSP).....	501-1
Worker responsibilities.....	1500

XYZ

PH

o0o

Department of Public Health  
and Human Services

Section:  
INTRODUCTION

FOOD STAMP PROGRAM

Subject:  
Introduction

**Supersedes:** FMFS Introduction (09/01/98)

**► FOOD STAMP  
PURPOSE &  
SCOPE**

The Food Stamp Program was established to aid in ending hunger and improve nutrition and health. Food stamp benefits assist low-income households in purchasing the food they need for a nutritionally adequate diet and provides crucial support to needy households.

Congress passed the Food Stamp Act of 1977 in order to provide eligible households an opportunity to obtain a more nutritious diet by supplementing their food budget.

- The Food Stamp Program enables eligible households to purchase food with the use of Food Stamp benefits issued each month in their Electronic Benefit Transfer (EBT) account. The amount of the allotment a household receives is determined by income and the household size.
- Participating households may purchase food with their Montana Access (EBT) card at retail food stores authorized to accept them by the United States Department of Agriculture (USDA), Food and Nutrition Service (FNS). Only eligible foods or food products intended for home consumption and seeds and plants for a home garden may be purchased with food stamp benefits. Alcoholic beverages, household products, cigarettes, hot foods ready to eat, and pet food cannot be purchased with food stamp benefits. A limited number of participants who meet specific eligibility and residence criteria may use their food stamp benefits to buy prepared meals e.g. authorized meal delivery service, authorized communal dining facility for elderly or SSI households, etc.

**ADMINISTRATION  
RESPONSIBILITIES**

The Food Stamp Program is administered by joint cooperation between Federal, State, and County government. The state of Montana is responsible for the certification of applicants and issuance of benefits. This is accomplished cooperatively through the Offices of Public Assistance providing the daily client contact under the rules disseminated by the State. The Federal government provides guidelines for State operations and is responsible for authorization and supervision of participating retailers, institutions and meal delivery services.

The Department of Public Health and Human Services (DPHHS) must fulfill the following requirements and responsibilities in the operation of the Food Stamp Program:

1. Certify applicant households.

2. Issue, control and account for food stamp benefits.
3. Develop, conduct and evaluate training.
4. Develop and maintain complaint procedures.
5. Conduct performance-reporting reviews.
6. Submit accurate and timely financial and program reports as required by USDA, FNS.

#### ► OPA STAFF RESPONSIBILITIES

The policies and procedures throughout this manual are intended to be a guide for food stamp certification and are written within the limits imposed by the Food Stamp Act and Regulations. The policies contained in this manual are intended to be sufficiently flexible to allow OPA Case Managers to exercise reasonable judgment in executing their responsibilities.

In this regard, the concept of the 'prudent' worker can be helpful. The term refers to the reasonableness of the judgments made by an individual worker in a given situation. In a court case, a person charged with negligence will try to show that his actions were the actions that any reasonable or 'prudent' person would take in the same circumstances.

- In making a certification decision, the OPA Case Manager should be conscientious about making a decision that is reasonable, based on his/her knowledge of and experience with the Food Stamp Program.
- **Example:** It is the OPA Case Manager's responsibility to determine, using reasonable judgment, if a given number of individuals who apply for food stamps as a single household do, in fact, fit the regulatory concept of a household.
- If the OPA Case Manager encounters a problem in a specific case that is felt to be outside the ordinary policy and procedure, the problem should be resolved through administrative channels.
- If existing policy guidelines generally covers the problem, the OPA Case Manager should make a judgment that can be defined as reasonable and prudent.

PH



Department of Public Health  
and Human Services

Section:  
GLOSSARY

FOOD STAMP PROGRAM

Subject:  
Glossary

**Supersedes:** FS 0-4 (10/01/05)

**A** ABAWD--Able-Bodied Adults Without Dependents

ADH--Administrative Disqualification Hearing

AFDC--Aid to Families with Dependent Children. Currently referred to as the TANF cash assistance program.

APWA--American Public Welfare Association

AREERA--Agricultural Research, Extension, and Education Reform Act of 1998

ARM--Administrative Rules of Montana

ABLE BODIED--Able to hold a job

ACTIVE CASE--A household certified prior to or during the QC sample month and was issued food stamp benefits for the QC sample month.

ACTIVE CASE ERROR RATE--An estimate of the proportion of cases with an error in the determination of eligibility or basis of issuance. This estimate is a percentage of the completed active QC reviews.

ADEQUATE NOTICE---A notice received no later than either the date the resulting benefits are to be received or in place of the benefits (FS 1503-1).

ADMINISTRATIVE MONTH--The month preceding the benefit month in which eligibility was determined and benefits issued for the benefit month.

ADULT--Age 18 or older

ADVERSE ACTION--Determination by the Office of Public Assistance to terminate, suspend or reduce benefits.

ALCOHOL OR DRUG ADDICTION TREATMENT AND REHABILITATION--Any program conducted by a private nonprofit organization, or a publicly operated community mental health center.

ALERT--A TEAMS action to forewarn the worker to re-evaluate the case circumstances.

ALLOTMENT--Total value of food stamp benefits a household is authorized to receive each month. The benefit amount is deposited into the Montana Access EBT account.

ALIEN--A legal alien is a person lawfully residing in the United States of America who is not a citizen. A legal alien may not necessarily have permanent residence status.

An illegal alien is a person present in the United States of America in violation of the Immigration and Nationality Act.

ALIEN SPONSOR--A person or any public or private agency or organization who executed an Affidavit of Support (INS Form I-864 or I-864A) or similar agreement so an alien could enter the United States.

APPLICANT--A person who submits a written application or verbally requests participation in a Food and Nutrition Services (FNS) federally assisted program at the service delivery point.

APPLICATION DATE--The day the Office of Public Assistance receives and date stamps an application containing the applicant's name, address and signature.

ASSISTANCE UNIT--Those members of the filing unit who are eligible to receive benefits. Only those coded 'IN' or 'SH' on SEPA are considered to be included in the assistance unit.

AUTHORIZATION--The system initiated approval which generates a benefit.

AUTHORIZED REPRESENTATIVE--A responsible person knowledgeable about the household's circumstances. This person must be authorized in writing by the household to make application, receive the food stamps and/or purchase food with the food stamps for the household.

## **B**

BIA--Bureau of Indian Affairs

BEGINNING MONTH--The first month of eligibility.

BENDEX--SSA's Beneficiary Data Exchange System, which provides the amount of RSDI and Title II benefits paid to people entered on the system. Also, BENDEX provides data on pensions and wages.

BENEFICIARY/PARTICIPANT--Those persons to whom assistance, services, or benefits are ultimately provided by Food and Nutrition Services (FNS) programs. (For example, a person receiving food stamps, WIC vouchers, and/or commodities)

BENEFIT--The resulting assistance value approved for a program household.

BENEFIT MONTH--The month food stamp benefits are issued.

BONA FIDE--Good faith; without fraud or deceit; made with earnest intent.

BOARDER--An individual to whom a household furnishes meals and/or lodging for compensation. This compensation must be at a monthly rate at least equal to the food stamp allotment for a one-person household. If the household furnishes two meals a day, the compensation rate must equal two-thirds of a one-person allotment.

Boarders are ineligible to participate in the Food Stamp Program separate from the household providing the board. Residents of commercial boarding houses are not eligible for food stamp benefits.

BUDGET MONTH--The month the financial and nonfinancial criteria of the unit are used to determine eligibility and calculate the grant amount. Using prospective budgeting, the budget month is the same as the benefit month.

BUSINESS EXPENSES--The costs directly related to the production of income.

## C

CFR--Code of Federal Regulations

CSED--Child Support Enforcement Division

CSKT--Confederated Salish and Kootenai Tribes. This term is generally used when referencing the TANF assistance program managed by the Confederated Salish and Kootenai Tribes of the Flathead Nation.

CSP--Community Services Program

CWS--Child Welfare Services (usually refers to Foster Care)

CALENDAR YEAR--January 1st through December 31<sup>st</sup>

CASE--Documents or computer data relating to a food stamp household.

CASE FILE--The record maintained for each food stamp household during the course of the household's participation in the program.

CASH VALUE--For resources: the amount that would be paid if the resource were sold or converted to cash. For income: the amount of the income or the value assigned to the service rendered for in-kind income.

CATEGORICALLY ELIGIBLE--Resources of individuals receiving or are authorized to receive TANF cash, Tribal TANF, or SSI are excluded from the resource determination.

CHANGE IN CIRCUMSTANCE--A reversal or variation of the fact from what was previously known.

CHILD SUPPORT--Voluntary or court ordered payment by an absent parent for the purpose of meeting the needs of his/her child(ren).

CIVIL RIGHTS-- The right of individuals to enjoy equal standing with other individuals in interactions with the government or with the community.

COLLATERAL CONTACTS--An oral confirmation of a household's circumstances by a person outside of the household. The collateral contact may be made either in person or over the telephone and may include employers, landlords, social service agencies, migrant service agencies, and neighbors of the household who can be expected to provide accurate third-party verification.

COMBINED ALLOTMENT--TEAMS automatically transmits an issuance authorization to the contractor for the current prorated and the following full month's benefit amounts to be issued the following day. This will only occur if the application was received on the 16th of the month or later and both months are authorized in TEAMS on the same day. A combined allotment will show as separate authorizations in FSIH and FSBH and will be issued and deposited in the Montana Access EBT account by 12:01 a.m. the following day (FS 104-1 and FS 105-1).

COMMINGLED--Countable and exempt funds in a bank or other account which are combined.

COMPENSATION--Money, real or personal property, food, shelter or services received by an individual in exchange for goods or services provided by that individual.

COMPLETE NOTICE--Written notice that includes the federal requirements for an acceptable notice. These requirements are informing the household of the following: the action the agency intends to take, the reason for the action, the right to request a fair hearing, the person to

contact for additional information, the availability of continued benefits and liability for such benefits if found ineligible in a hearing decision.

**NOTE:** FS Federal regulations, CFR, refers to a notice containing all the mandatory requirements an “adequate” notice. However, MT uses “adequate” to mean a notice time frame.

CONFIDENTIAL INFORMATION--Applicant or recipient information that may only be shared for establishing eligibility, determining amount of assistance, and providing services, with related federally mandated and assisted programs and agencies under contract to the Department or operating with a Memorandum of Understanding. The limitation of the use and disclosure of applicant and recipient information to the administration of the program.

CONVICTION--Per MCA 46-1-202(6) either a judgment OR sentence upon a guilty plea or verdict or finding of guilt. This means that if the court enters a judgment that the individual is guilty of a drug felony, the individual has been convicted and is ineligible even before sentencing occurs. Therefore, the individual is ineligible as soon as the judgment is entered, even if a sentence is imposed later or is never imposed.

COUNTABLE INCOME--The total of earned and unearned income not excluded by policy, expected to be received by the household for the budget/benefit month.

CURRENT MARKET VALUE--The amount the property can be expected to sell on the open market in a specific community.

## D

DOLI--Department of Labor and Industry

DOR--Department of Revenue

DPHHS--Department of Public Health & Human Services

DATE OF APPLICATION--The day the Office of Public assistance receives and date stamps an application containing the applicant's name, address and signature.

DEPENDENT--A person who relies on another for support.

DESTITUTE--Migrant or seasonal farm worker households whose only income for the month of application was received prior to the date of application and was from a terminated source.

DISABLED MEMBER--A household member who meets any of the following:

1. Receives or has been approved to receive Social Security Disability or Blindness benefits.
2. Receives or has been approved to receive SSI benefits.
3. Receives State-financed SSI payments but not the basic Federal SSI benefit. These payments are generally referred to as "state supplement".
4. Receives a Federal, State, or local public disability retirement pension **and** is considered permanently disabled by the Social Security office.
5. Is a veteran receiving service-connected disability benefits rated at 100%.
6. Is a veteran receiving non-service connected disability benefits rated at 100%.
7. Is a veteran or surviving spouse determined by VA to be housebound or in need of aid and attendance.
8. Is a surviving child of a veteran and considered by VA to be permanently incapable of self-support.
9. Is a veteran's survivor (widow or child) receiving veteran's benefits **and** having a disability considered permanent by the Social Security office.
10. Receives railroad retirement disability annuities and meets the Social Security disability criteria.
11. Receives SSI Presumptive eligibility payments.
12. Receives disability-related medical benefits under Title XIX (Medicaid), e.g; receives Medicaid due to MEDS (Medicaid Eligibility Determination Services) or 1619 determination. When Medicaid closes, the individual must meet another disability category to be considered disabled for FS purposes.

DISCRIMINATION--To make any distinction of one person or a group of persons from others, either intentionally, by neglect, or by the effect of actions or lack of actions based on age, race, color, sex, handicap, religious creed, national origin or political beliefs.

DOCUMENT-- Used as a noun, as in documentary evidence indicates a written record of the circumstances of an event or fact. Used as a verb, indicates the act of entering in the case file actual proof or statement of proof that the contents of the record are accurate.

DOCUMENTARY EVIDENCE--Written information used to verify the income, expenses and other circumstances of a household.

► DRUG ADDICTION OR ALCOHOLIC TREATMENT AND REHABILITATION PROGRAMS--A program conducted by a private non-profit organization or institution, or a publicly operated community mental health center, under Part B of Title XIX of the Public Health Service Act to provide treatment that can lead to the rehabilitation of drug addicts or alcoholics.

E EA--Emergency Assistance

EBT--Electronic Benefit Transfer--Food stamp participants are issued a debit card for purchasing food products. The food stamp benefits are electronically transferred to an account linked to the debit card. Participants will use the card, along with a Personal Identification Number (PIN) to purchase food items.

ECC--Extended Child Care

EIC/EITC--Earned Income Tax Credit

EPSDT--Early and Periodic Screening, Diagnosis & Treatment

EARNED INCOME--Employee payments received in cash for wages, tips, commissions, or net profit from self-employment activities; the gross income before deductions for personal or employment expenses or garnishments.

EARNED INCOME TAX CREDIT (EITC)--An amount of money which has been either deducted from the taxes owed or paid as a refund resulting from filing a Form 1040 or 1040A Tax Return for a calendar year.

ELDERLY MEMBER--A person who is 60 years old or older. This includes a person who is 59 years old when they apply but who will become 60 on or before the last day of the month of application.

ELIGIBILITY FACTOR--A specific condition that an applicant must meet in order to qualify for benefits. A recipient must continue to meet this condition to remain eligible for benefits.

ELIGIBILITY WORKER--A person employed by the State of Montana who plays a role in the eligibility process for the Food Stamp Program.

ELIGIBLE FOODS--Items which can be purchased with food stamps, including the following:

1. Any food or food product intended for human consumption **except** alcoholic beverages, tobacco, and hot food products prepared for immediate consumption;
2. Seeds and plants to grow foods for the personal consumption of eligible households;
3. Meals prepared and delivered by an authorized delivery service to households eligible to use food stamp benefits to purchase delivered meals, or meals served by a communal dining facility for the elderly, for SSI households or both, to households eligible to use food stamp benefits for communal dining;
4. Meals prepared and served by an authorized drug addiction or alcoholism treatment and/or rehabilitation center to households eligible to use food stamp benefits to purchase those meals;
5. Meals prepared and served by a group living arrangement facility to residents who are blind or disabled recipients of benefits;
6. Meals prepared by and served by a shelter for battered women and children to its eligible residents; and,
7. In the case of homeless food stamp households, meals prepared for and served by an authorized public or private non-profit establishment (e.g., soup kitchen, temporary shelter), that has been approved to feed homeless persons.

EMANCIPATION--The process of being released from parental care and custody and being given full legal rights and responsibilities.

ENCUMBRANCE--A claim or legal debt(s) against a resource which is supported by a written document and which must be paid when the resource is sold.

ENUMERATION--The act of assigning a Social Security Number (SSN).

EQUITY VALUE--The fair market value less any encumbrances against the property as of the date of evaluation.



ERRONEOUS ISSUANCE--When a household obtains food stamp benefits to which they are not entitled through any of the following: misrepresenting facts, furnishing false information, misunderstanding, other fraudulent means or by agency error.

ETHNIC CATEGORIES--Hispanic or Latino: A person of Cuban, Mexican, Puerto Rican, South or Central America, or other Spanish culture or origin, regardless of race. The term, "Spanish origin", can be used in addition to "Hispanic or Latin".

ETHNICITY--Hispanic or Latino and Not Hispanic or Latino.

EXPEDITED SERVICES--Certain verification requirements may be postponed for eligible households to allow for prompt issuance of food stamps.

EXPUNGEMENT--Food stamp benefits removed from the Montana Access EBT account after 365 days have passed from the last time the participant completed a food stamp transaction.

## F

FAIM--Families Achieving Independence in Montana, formerly, the State's welfare reform demonstration project.

FDPIR--Food Distribution Program on Indian Reservations

FNS--Food and Nutrition Services (formally Food and Consumer Services). The branch of USDA which administers the Food Stamp Program.

FSET-- Food Stamp Employment and Training Program

FAIM COORDINATOR--The county eligibility worker responsible for determining eligibility under the TANF project rules and regulations.

FAIR HEARING--Any clear expression, oral or written, by the claimant or authorized representative to present his/her case to a higher authority. Any claimant who is aggrieved by an adverse action of the Department is entitled to a Fair Hearing including all rights to review and appeal provided by the Fair Hearing process.

FAIR MARKET VALUE--The amount of money which the sale of property would bring on the open market in the community where the property is located.

FEDERAL MEANS TESTED PROGRAM--Tribal TANF or TANF. (BIA tribal assistance and county general assistance programs are considered local means tested programs.)

FILING UNIT--Required household members whose income and resources must be considered in eligibility determination. Filing unit members are coded 'IN', 'SH', 'DQ', 'DS', or 'DF' on the SEPA screen (FS 201-1). All members of the filing unit may not be included in the Assistance Unit and may not receive benefits.

FOOD AND NUTRITION SERVICES (FNS); FORMERLY (FCS; Food and Consumer Services)--The Division of the Department of Agriculture that administers the Food Stamp Program.

FOOD STAMP EMPLOYMENT AND TRAINING PROGRAM - The Food Stamp work readiness program to assist food stamp recipients to become self-sufficient by providing needed employment related activities and supportive services. This program is currently available in four counties, Lewis & Clark, Missoula, Silver Bow and Yellowstone.

FRAUD--See INTENTIONAL PROGRAM VIOLATION.

FULL-TIME STUDENT--An individual attending school a minimum of six hours a day or the number of hours the institution states is considered full-time.

## G

GARNISHMENT--A legal action to deduct a specified amount of money from an employee's wages or unemployment compensation to satisfy a creditor.

GOOD CAUSE--An acceptable reason for an individual's action which overrides the penalty of that action. Circumstances beyond the control of the recipient such as, but not limited to, illness of recipient or other household member, lack of transportation or unanticipated emergency.

GROSS EARNED INCOME--The total money an employee is entitled to receive (wages), prior to any deductions (FICA, withholding taxes, etc.) or garnishment.

GROSS MONTHLY INCOME (GMI) STANDARDS--The levels of gross income for each household based on size and circumstances which cannot be exceeded if the unit is to be eligible for benefits.

GROUP LIVING ARRANGEMENT - A public or private nonprofit residential setting that serves no more than sixteen residents that is certified by the appropriate agency or agencies of the State under regulations issued under section 1616(e) of the Social Security Act or under standards determined by the Secretary to be comparable to standards implemented by appropriate State agencies. To be eligible for

food stamp benefits, a resident of such a group living arrangement must be blind or disabled as defined in glossary.

## H

HOME--The principle place of residence. For resource purposes: a home is the current place of residence which is owned by/being purchased by/being rented by a member of the household and which includes any building and the land upon which the building is located, the land that appertains to the home and all the buildings and/or mobile homes located thereon.

HOMELESS INDIVIDUAL--An individual who lacks a fixed and regular nighttime residence or an individual whose primary nighttime residence is:

1. A supervised shelter designed to provide temporary accommodations (such as welfare hotel or congregate shelter);
2. A halfway house or similar institution that provides temporary residence for individuals intended to be institutionalized;
3. A temporary (no more than 90 days) accommodation in the residence of another individual; or,
4. A place not designed for, or ordinarily used as a regular sleeping accommodation for human beings (a hallway, a bus station, a lobby or similar places).

HOMELESS MEAL PROVIDER--A private or public nonprofit establishment approved by the state (soup kitchen, temporary shelter) that feeds homeless persons. If the shelter is not authorized by FNS, the shelter cannot accept food stamp benefits from the certified residents.

HOUSEHOLD--People who buy and prepare food together. Spouses, parents, and children who live together are usually counted as the same household (FS 201-1).

HOUSEHOLD FURNISHINGS--Furniture, appliances, clothing and personal items owned by the filing unit.

## I

IPV--Intentional Program Violation

IRA--Individual Retirement Account

INCOME--Money received from any source. Can be earned or unearned.

INCOME-PRODUCING PROPERTY--Property that is in and of itself, producing income. For example, rental property is considered income-producing.

INDIAN INCOME--Money derived from individual and tribal property or benefits from Federal agencies due members of a specific tribe.

INDIVIDUAL RETIREMENT ACCOUNTS (IRA)--A tax deferred pension or plan which sets aside money now for the needs of the person after retirement.

INELIGIBLE--Not qualified to receive benefits because of not meeting one or more of the specified non-financial or financial requirements of eligibility.

IN-KIND INCOME--Any gain or benefit (goods, services, etc.) which is not in the form of money payable directly to a household. The goods or services may be evaluated to determine a value. This value is considered **exempt income** in the determination of eligibility and/or benefit.

INSTITUTIONS OF HIGHER EDUCATION--Those which normally require a high school diploma or equivalency certificate for entrance (FS 201-5).

INTENTIONAL PROGRAM VIOLATION (IPV)/FRAUD--When a client knowingly, willfully and with deceitful intent:

1. Makes a false or misleading statement, orally or in writing, to obtain benefits illegally;
2. Misrepresented, conceals or withheld facts to obtain benefits illegally; or,
3. Commits any act that constitutes a violation of the Food Stamp Act or Regulations or any State Statute relating to the use, presentation, transfer, acquisition, receipt, or possession of food stamp benefits.

INTERVIEW--To question or converse with a person face-to-face or by other means of communication to exchange information.

ISSUANCE -- A released (issued) food stamp allotment.

## J

JOINTLY OWNED PROPERTY--Property presumed to be owned in equal shares by each of the persons holding a legal interest, unless otherwise specified in a legal document such as a deed or divorce decree. A court-ordered right of ownership takes precedence over any contrary verbal claim or stipulation on any document.

**K**

KEOGH PLAN--A tax deferred pension or plan for a self-employed individual to set aside money now for the needs of the individual after retirement.

KNOWLEDGEABLE SOURCE--One who, through experience, employment, or association, has a practical understanding of a subject or has a considerable degree of familiarity with an individual.

**L**

LIEN--A charge against real or personal property for the satisfaction of a debt.

LIEAP--Low Income Energy Assistance Program.

LIVE-IN ATTENDANT--An individual (usually compensated) who lives in the household because they are needed for medical, housekeeping or child-care reasons. These individuals will not be considered household members for the Food Stamp Program.

LOW INCOME ENERGY ASSISTANCE PROGRAM (LIEAP)--The program that provides payment for part of winter energy bills for income-eligible persons. Payments are usually made directly to local utility companies or vendors.

LUMP SUM PAYMENT--Earned or unearned income received on a non-recurring (one-time) basis. It is considered as a resource in the month received.

**M**

MA--Medical Assistance

MACCS--Montana's Automated Child Care System

MCA--Montana Codes Annotated

ME--Management Evaluation

MSD--Medicaid Services Division

MANAGEMENT EVALUATION (ME)--An evaluation procedure used to determine if State and local agencies are administering and operating Food and Nutrition Services (FNS) programs in accordance with program and civil rights regulations and requirements.

MASS CHANGES--Certain changes imposed by the Federal or State government which may affect the entire caseload or significant portions of the caseload (FS 1501-2).

MAXIMUM ALLOWABLE INCOME STANDARDS--The highest monthly net income a household may have and be eligible for the Food Stamp Program.

MEANS TESTED PROGRAM--See "Federal means tested program".

MEDICAID--The program for the payment of covered medical expenses for persons who are eligible.

MEDICALLY NEEDY--An individual or family otherwise eligible for medical assistance but whose income is above the limits allowed for the categorically eligible.

MIGRANT--A person who moves on a regular basis to find work in harvesting crops or other agricultural activities.

MINOR CHILDREN--Children under 18 years of age who are under the parental control of an adult household member.

MINORITY--A person or group of persons belonging to the protected classes covered by Title VI of the Civil Rights Act of 1964 and later specified by the Office of Management and Budget (OMB) to include:

1. American Indian or Alaskan Native;
2. Asian;
3. Black or African American; and,
4. Native Hawaiian or Pacific Islander.

MONTANA ACCESS CARD--A plastic debit card the participant uses to access his/her food stamp benefits that have been transferred to their EBT account. The Montana Access Card has replaced paper food stamp coupons.

## N

NADA--National Automobile Dealers' Association

NMI--Net Monthly Income

NET EARNED INCOME--The total money the employee is entitled to receive (wages) less applicable deductions (FICA, taxes, etc.) and garnishments.

NET MONTHLY INCOME (NMI) STANDARDS--Levels of net countable income for each size household which cannot be exceeded if the household is to be eligible.

NONASSISTANCE HOUSEHOLD (NA)--A household in which no member receives or is eligible to receive TANF Cash Assistance.

NONSTRIKER--Any employee who is:

1. Affected by a lockout;
2. Exempt from work registration the day prior to the strike for reasons other than being employed;
3. Unable to work because of striking employees; or,
4. Not part of the bargaining unit on strike but does not want to cross the picket line for fear of personal injury.

NORMAL PROCESSING STANDARDS--Initial applicants must be provided an opportunity to participate in the Food Stamp Program as soon as possible, but no later than 30 calendar days following the date of application.

NOTICE OF ADVERSE ACTION--The agency shall provide timely and adequate notice before any adverse action is taken. Timely notice requires at least 10 days from the date the notice is mailed to the effective date of the action. Adequate notice must include: the proposed action; the reason for the action; the right to request a fair hearing; telephone number and, if possible, name of person to contact; availability of continued benefits; liability for over issuance if the fair hearing is against the recipient.

## O

OJT--On the Job Training. Training in the private or public sector given to a participant, occurring while the participant is engaged in productive work and providing knowledge or skills essential for the full and adequate performance of the job. The employer pays the participant wages. Generally the employer is partially reimbursed for providing training/supervision/wages.

OPA CASE MANAGER-- An OPA staff member who is either an Eligibility Worker or a FAIM Coordinator.

OFFICE OF MINORITY AFFAIRS--The organizational unit under the Secretary of Agriculture reporting to the Assistance Secretary for Administration that has authority to develop and administer a comprehensive program to assure equal opportunity for all persons in all aspects of USDA programs under civil rights laws and regulations. Formerly the Office of Equal Opportunity (OEO).

ON-GOING ELIGIBILITY DETERMINATION--The act of evaluating each open case monthly and as a result of reported changes to find the case eligible or ineligible.

ORIENTATION--A process to provide applicants with information on program requirements and client's rights and responsibilities.

OVERPAYMENT--Food stamps received by a household which exceeds the amount for which that household was eligible.

## P

PA--Public Assistance

PRWORA--Personal Responsibility & Work Opportunity Reconciliation Act of 1996

PARENTAL CONTROL--When a child, under 18, is financially or otherwise dependent upon an adult member of the household that child is considered to be under the parental control of the adult.

PARTICIPANT--A person who is eligible for benefits under TANF, even if that person is not currently receiving benefits because the amount is too low or the person is under a sanction or disqualification.

PER CAPITA PAYMENT- "Equally to each person", Per Capita is a means of distributing money usually to tribal members, not a type of payment.

PERJURY--A willful false statement of a material fact; swearing to what is untrue; or, incompletely answering all questions asked while under oath.

PERSONAL PROPERTY--All things owned or possessed by the household.

POINT OF DISCOVERY--The point at which an application is believed to be eligible for expedited processing.

PRIMARY INFORMATION PERSON--The name on the hard copy case file and TEAMS case name. Generally this individual provides the information for the household.

PROGRAM REQUIREMENT--Specifications as to how eligibility factors are to be met for the Food Stamp Program.

PROPERTY/EQUIPMENT NECESSARY FOR EMPLOYMENT--Farm land, tools of a tradesman or farm machinery which is essential to the employment or self-employment of a household member.



PRORATE--Divide or distribute benefits proportionally based on number of days eligible or number of household members.

PROSPECTIVE BUDGETING--Determining eligibility and benefit amount using the best estimate of resources, income, deductible expenses and other circumstances which will exist in the benefit month.

PUBLIC ASSISTANCE HOUSEHOLD (PA)--Public Assistance - Any of the following programs authorized by the Social Security Act of 1935, as amended: old-age assistance; aid to families with dependent children (now referred to as Temporary Assistance for Needy Families-TANF).

For food stamp reporting purposes a distinction is made in the following manner:

Public assistance households (PA) are considered households in which all members receive either TANF or Tribal TANF assistance. Therefore, for reporting purposes, the number of PA households would only include those households that are categorically eligible and not the number of households that have TANF income.

## Q

QA--Quality Assurance

## R

R&R--Resource & Referral Agency (child care)

RSDI--Retirement, Survivors and Disability Insurance

RACIAL CATEGORIES--The designation of participants/potential participants by race, color or national origin for the collection and reporting of racial/ethnic data as follows:

1. American Indian or Alaskan Native: A person having origins in any of the original peoples of North and South America (including Central America), and who maintains tribal affiliation or community attachment.
2. Asian: A person having origins in any of the original peoples of the Far East, Southeast Asia or the Indian Subcontinent including for example, Cambodia, China, India, Japan, Korea, Malaysia, Pakistan, the Philippine Islands, Thailand, and Vietnam.
3. Black or African American: A person having origins in any of the black racial groups of Africa. Terms such as "Haitian" or "Negro" can be used in addition to "Black or African American".

4. Native Hawaiian or Other Pacific Islander: A person having origins in any of the original peoples of Hawaii, Guam, Samoa, or other Pacific Islands.
5. White: A person having origins in any of the original peoples of Europe, North Africa or the Middle East.

REAL PROPERTY--Land and buildings or immovable objects permanently attached thereto.

RECIPIENT--Includes those authorized to receive Food Stamp, TANF, or SSI benefits and persons determined eligible to receive zero benefits; e.g., persons whose benefits are being recouped or suspended and TANF recipients whose benefits are less than \$10 and, therefore, not payable.

REFUSAL TO COOPERATE--A household has the ability to cooperate but clearly demonstrates that it will not take required action even though it is able to do so. For example, to be denied for refusal to cooperate, a household must refuse to be interviewed, not merely fail to appear for the interview.

RESIDENTS OF INSTITUTIONS--The institution provides an individual with more than 50% of three meals daily as part of normal services and is not authorized to accept coupons. Residents of institutions are generally not eligible to participate in the Food Stamp Program.

RESOURCE--Liquid or non-liquid assets which may include such items as savings/checking accounts, stocks, lump sum payments, vehicles, buildings or property. Recipients must meet a maximum allowable resource test to be eligible for food stamps.

RESTORATION--Additional benefits issued for a past month to compensate for an under issuance.

ROOMERS--Individuals to whom a household furnishes lodging, but not meals, for compensation.

## S

SAVE--(Alien Status) Systematic Alien Verification for Entitlement

SDX--State Data Exchange

SS--Social Security. As an income source this refers to any income from the Social Security office that is not SSI (e.g., RSDI, retirement, survivor or disability).

SSA--Social Security Administration

SSDIB--Social Security Disability Insurance Benefits. This is the disability portion of RSDI.

SSI--Supplemental Security Income

SSN--Social Security Number

SEASONAL FARM WORKER--A person who works on a farm or ranch on a seasonal basis when the work is generally within commuting distance to his home.

SELF-EMPLOYED FARMER--Must receive or anticipate annual gross proceeds of \$1,000 or more from the farming enterprise.

SELF-EMPLOYMENT--The act of engaging in a trade or business. A trade or business is generally an activity carried on for a livelihood or in good faith to make a profit. An individual does not have to make a profit to be in a trade or business as long as a profit motive exists.

SEPARATE HOUSEHOLD--More than one household shares common living quarters however purchase and prepare their food separately.

SHELTER COSTS--The amount of money required to provide housing (rent, mortgage payments, motel rates, etc.) and/or utilities (water, sewer, heat, electricity).

SHELTER FOR BATTERED WOMEN AND CHILDREN--Public or private non-profit residential facility serving this group. If the facility serves other individuals, a portion must be set aside on a long-term basis to serve only battered women and their children.

SPONSORED ALIEN--A legal alien who entered the country based on an "Affidavit of Support" (INS Form I-864 or I864A) or similar written agreement executed by a sponsor on behalf of the alien.

SPOUSE--Either of the following:

1. One who would be defined as married under applicable State law; or,
2. Persons living together and holding themselves out to the community as husband and wife and representing themselves as such to relatives, friends or trades-people.

STRIKER--Anyone involved in a strike, work stoppage, slowdown or other interruption of operations mutually agreed on by employees. This includes

a stoppage because of the expiration of a collective bargaining agreement.

STUDENT--Individuals, age 18 or older, who are enrolled at least half-time in any recognized school, training program or institution of higher education; providing students in higher education also meet the eligibility requirements as an eligible student.

SUPPLEMENT--Additional benefits issued for the current month to compensate for an under issuance

## T

TANF--Temporary Assistance for Needy Families

TEAMS--The Economic Assistance Management System, the electronic case management system used in the state of Montana for administration of the TANF, Medicaid and Food Stamp programs.

TERMINATION--To close a case, remove the household from program eligibility, and stop the issuance of benefits to that household.

THRIFTY FOOD PLAN--Diet required to feed a family in accordance with guidelines established by the U.S. Department of Agriculture. The costs of that diet is the basis for uniform allotments for all households. The thrifty food plan is based on 100% of the federal poverty level.

TIMELY--Timely notice of action must be mailed to the household at least 10 days prior to the date of intended action.

TRANSACTION--A system performed process or an exchange of a negotiable commodity in a food related purchase.

TRUST--A property interest held by one person for the benefit of another.

TRUSTEE--The person(s) given the authority, by a written contract, to manage money set up in a trust.

## U

UNDER PAYMENT--see "Supplement" and "Restoration".

UNEARNED INCOME--All money received that is not earned by providing goods or services. Unearned income includes, but is not limited to gifts, Social Security Income benefits, Veteran's benefits, Worker's Compensation payments, Unemployment Compensation payments, and Public Assistance grants.

UTILITIES--The services provided for water, sewer, electricity, and heating fuel.

V

VENDOR--The person or business who provides goods or services.

VERIFY--To check, confirm or establish whether a statement or condition is true or accurate by obtaining a copy, viewing a copy or obtaining a verbal description of the evidence.

VOLUNTARY QUIT--Resigning or being terminated from employment when continuing employment is within the participant/applicant's control. This would include being fired for misconduct. However, it would not include being fired due to being physically incapable of performing the job.

W

WEX--Work Experience (a Family Investment Agreement activity)

WoRC--Work Readiness Component

WORK REGISTRATION--The act of signing the FA 543-A "Food Stamp Program Understanding and Agreement" form and having an appropriate code entered on the WOF screen.

XYZ

PH

o0o

Department of Public Health  
and Human Services

Section:  
TABLE OF STANDARDS

FOOD STAMP PROGRAM

Subject:  
Gross and Net Monthly Income  
Standards

**Supersedes:** FS 001 (10/01/06), Bulletin FS 52 (07/23/07)

**References:** 7 CFR 273.9(a)(1)(i) and (a)(2)(i)

Food Stamp Program participation is limited to households with income not exceeding the following gross and net monthly income standards.

► **GROSS MONTHLY INCOME STANDARDS**  
(130 Percent of Poverty Level)

<u>Household Size</u>	<u>Gross Monthly Income</u>
1	\$1107
2	1484
3	1861
4	2238
5	2615
6	2992
7	3369
8	3746
Each Additional Member	+ 377

Households with income less than the gross monthly income standard (GMI) have their net income evaluated according to the net monthly income standard (NMI).

► **GROSS MONTHLY INCOME STANDARDS FOR HOUSEHOLDS  
WHERE ELDERLY/DISABLED ARE A SEPARATE HOUSEHOLD**  
(165 Percent of Poverty Level)

<u>Household Size</u>	<u>Gross Monthly Income</u>
1	\$1404
2	1883
3	2361
4	2840
5	3318
6	3797
7	4275
8	4754
Each Additional Member	+ 479

**GROSS MONTHLY INCOME EXCEPTIONS**

The gross monthly income test does not apply to households who:

1. Are categorically eligible because all members are receiving or are authorized to receive TANF cash assistance, Tribal TANF, or Supplemental Security Income (SSI) benefits.

TEAMS by-passes the gross and net monthly income tests on cases that are coded 'Y' for categorical eligibility on Resource Determination Food Stamps (EXRF) and EXAD (Food Stamp Allotment Determination) screens.

- 2. Include a member who is age 60 or older. An individual is considered elderly the month he/she turns 60 years old.

➤ TEAMS reads household members' birth dates from the Social Security Number Date of Birth (SSDO) screen and enters 'E/D' under household type on EXAD if a household member is age 60 or older and coded 'IN' or 'SH' on the Setup Participation (SEPA) screen. If all household members are either elderly or disabled and coded 'IN' or 'SH' on the SEPA screen, TEAMS enters 'SPE' in the household type field.

➤ **NOTE:** Households with an elderly member coded 'DF', 'DQ', or 'DS' are subject to the GMI test.
3. Include a member who is disabled.
- **NOTE:** Households with a disabled member coded 'DF', 'DQ', or 'DS' are subject to the GMI test.

TEAMS reads a household member's disability from the 'D' code entered on the SEPA screen. EXAD shows 'E/D' under household type due to the household having a disabled member coded 'IN' or 'SH' on SEPA. If all household members are either elderly or disabled coded 'IN' or 'SH', TEAMS enters 'SPE' in the household type field.

➤ **NET MONTHLY INCOME STANDARDS**  
(100 Percent of Poverty Level)

<u>Household Size</u>	<u>Net Monthly Income</u>
1	\$851
2	1141
3	1431
4	1721
5	2011

Section: TABLE OF STANDARDS

Subject: Gross and Net Monthly Income  
Standards

6	2301
7	2591
8	2881
Each Additional Member	+ 290

**NET MONTHLY INCOME EXCEPTIONS**

Households are exempt from the net monthly income test if the household is categorically eligible.

TEAMS bypasses the gross and net monthly income tests on cases coded 'Y' for categorical eligibility on EXRF and EXAD screens.

TP



Department of Public Health  
and Human Services

Section:  
TABLE OF STANDARDS

FOOD STAMP PROGRAM

Subject:  
Thrifty Food Plan

**Supersedes:** FS 002 (10/01/06)

**References:** 7 CFR 273.10(e)(4)(ii)

The monthly allotment is equal to the Thrifty Food Plan for the household's size reduced by 30 percent of the net monthly income. The Thrifty Food Plan is based on 100% of the federal poverty level.



<u>Household Size</u>	<u>Thrifty Food Plan</u>
1	\$ 162
2	298
3	426
4	542
5	643
6	772
7	853
8	975
Each Additional Member	+ 122

PH

o O o

Department of Public Health  
and Human Services

Section:  
APPLICATION PROCESSING

FOOD STAMP PROGRAM

Subject:  
Confidentiality

**Supersedes:** FS101-1 (11/01/03)

**References:** 7 CFR 272.1; 273.2; MCA 41-3-205; P.L. 104-193 sec. 837; F  
Act sec 11(e)(8), (16) and (20)

GENERAL RULE -- Food Stamp case information is confidential under federal law. The Department of Public Health and Human Services (DPHHS) may share participant information for purposes directly connected with the administration of the public assistance programs, other federal programs, and certain entitled entities.

**HEALTH  
INSURANCE  
PORTABILITY &  
ACCOUNTABILITY  
ACT(HIPAA)**

Guidelines in the (HIPAA) manual must be followed concerning the release of protected health information.

**INFORMATION  
PROVIDED  
WITHOUT  
NOTICE TO OR  
PERMISSION OF  
PARTICIPANT**

The use or disclosure concerning confidential information of a food stamp applicant or recipient households without notice to or permission of the individual can be provided to the following:

≥

1. Investigators of child or elder abuse and neglect per state law (MCA 41-3-205).
2. Individuals directly connected with the administration of the Child Support Program in order to assist in the administration of the Child Support Program.
3. Individuals establishing or verifying eligibility or benefits under Title II and Title XVI of the Social Security Act including Old-Age and Survivors Insurance, Social Security Disability Insurance (SSDI), and Supplemental Security Income (SSI).
4. Individuals directly connected with the administration or enforcement of the provisions of the Food Stamp Act or regulations, other federal assistance programs, or federally assisted state programs providing assistance on a means- tested basis.

Section: APPLICATION PROCESSING

Subject: Confidentiality

**NOTE:** This includes HUD, Tribal TANF, TANF, Tribal GA, Low Income Energy Assistance (LIEAP), and Food Stamp Program certification offices in other states.

5. Individuals directly connected with the administration or enforcement of the programs which are required to participate in the State Income and Eligibility Verification System (IEVS) to the extent the food stamp information is useful in establishing or verifying eligibility or benefit amounts for those programs.
6. Employees of the Comptroller General's Office of the United States for audit examination that is authorized by any other provision of the law.
7. Federal, state, or local law enforcement officials upon written request for the purpose of investigating an alleged violation of the Food Stamp Act or regulations.

**NOTE:** The written request must include the name and the authority of the individual requesting the information, the violation being investigated, and the identity of the person on whom the information is requested.

8. Federal, state, or local law enforcement officers upon written request for the purpose of obtaining the address, Social Security number, and, if available, photograph of any household member if the member:

**NOTE:** The written request must include the name and the authority of the individual requesting the information, the violation being investigated, and the identity of the person on whom the information is requested.

- a. is fleeing to avoid prosecution, custody or confinement for a felony;
  - b. is violating a condition of parole or probation; or,
  - c. has information necessary for the apprehension or investigation of another member who is fleeing to avoid prosecution or custody for a felony or has violated a condition of probation or parole.
9. Federal, state, or local penal, correctional, or other detention facility staff in an effort to verify that an individual who is placed under detention in a federal, state, or local penal, correctional, or other

Section: APPLICATION PROCESSING

Subject: Confidentiality

detention facility for more than 30 days does not participate in the Food Stamp Program for households subject to change reporting requirements.

10. Agencies of the federal government, including the United States Postal Service, for the purpose of collecting over issued food stamp benefits.
11. Individuals directly connected with the Systematic Alien Verification for Entitlements (SAVE) Program to the extent the information is necessary to verify identity and alien status for the Food Stamp Program.

Requests for information about current or past participants that do not meet the above criteria must be submitted in writing to the Public Assistance Bureau, Central Office. When there is a question about a breach of confidentiality, Central Office will refer the request to the Office of Legal Affairs.

#### **RELEASE TO PARTICIPANT OR DESIGNEE**

When there is a written request by a responsible food stamp household member, authorized representative, or a person acting on the household's behalf to review material and information contained in its case file, the material and information in the case file are available to review during normal business hours.

Privileged information may be withheld such as the name of individuals who have disclosed information about the household without the household's knowledge, or the nature or status of pending criminal prosecution.

#### **AUTHORIZATION OF INFORMATION BY PARTICIPANT**

An individual's signature on the application allows the OPA to contact other persons or organizations to obtain necessary verification of any statements to determine initial eligibility.

A signed release of information form is not a condition of eligibility and the household is not required to sign a form. However, the OPA Case Manager should ask the household to sign a release of information form to enable the OPA Case Manager to assist the household in obtaining necessary information or verification to determine eligibility. Each adult household member should be given the opportunity to review and sign a release of information form since an individual cannot waive another's right to confidentiality. If the household does not want to sign the form, it should be case noted that they were given the opportunity but did not sign the release of information. A participant always has the right to rescind in writing the authorization to release information.

Section: APPLICATION PROCESSING

Subject: Confidentiality

Human and Community Services Division (HCSD) currently has three release of information forms that are available for use.

1. HCS-101 form explains the participant's right to confidentiality and gives the participant the option of signing the form to authorize the release of information or declining to authorize the release of information by not signing the form. The authorization expires one year from the date of the signature, so the household should have the opportunity to sign the form at application and yearly thereafter.
2. HCS-102 is used for only very specific information to be released and specifies a specific date the release expires. The HCS-102 is only used on a limited case-by-case basis.
3. HCS-103 is used for case management to share general information between agencies such as progress reports, enrollment, attendance and participation.

#### **AGENCY PERSONNEL AND VOLUNTEERS**

Personnel used in the Food Stamp Program eligibility determination process must be employed and classified in accordance with the employment and classification standards of the State of Montana and the Department of Public Health and Human Services. Only qualified program employees conduct the required eligibility determination interviews and determine eligibility for the Food Stamp Program.

Volunteers must be trained in sufficient detail and frequently enough to give correct information to households. Volunteers or other persons not employed by DPHHS may not conduct the required eligibility determination interviews and determine eligibility for the Food Stamp Program. They may assist OPA Case Managers in related activities such as outreach, obtaining necessary verification, pre-screening applications, and assisting applicants in completing the application form.

**Volunteers are restricted from disclosing confidential information the same as DPHHS employees.**

TP

Department of Public Health  
and Human Services

Section:  
APPLICATION PROCESSING

FOOD STAMP PROGRAM

Subject:  
Civil Rights

**Supersedes:** FS102-1 (10/01/07)

**References:** 7 CFR 272.4, 7 CFR 272.5, 7 CFR 272.6

GENERAL RULE -- The United States Department of Agriculture (USDA) and the Montana Department of Public Health and Human Services (DPHHS) administers the Food Stamp Program in accordance with Federal law and are prohibited from discriminating against individuals based on age, race, color, sex, disability, religious creed, national origin, and/or political beliefs.

## **FILING A DISCRIMINATION COMPLAINT**

An individual may file a written or verbal complaint alleging discrimination when the individual believes he or she has been subject to discrimination based on race, color, national origin, age, sex, disability, political beliefs and/or religion.

The complaint is filed with:

Regional Director  
Civil Rights/EEO  
USDA/FNS  
1244 Speer Blvd, Ste 903  
Denver, CO 80204-3585  
(303) 844-0307

OR USDA, Director  
Office for Civil Rights  
1400 Independence Ave, S.W.  
Washington, D.C. 20250-9410  
(800) 795-3272 (Voice)  
(202) 720-6382 (TTY)

OR

Civil Rights Coordinator  
Human & Community Services  
DPHHS  
P.O. Box 202925  
Helena, MT 59620-2925  
(406) 444-7483 (Yvette)

## **COMPLAINT REQUIREMENTS**

Any individual wanting to file a discrimination complaint shall be advised immediately of their right to do so and shall be given the necessary information (listed below) to file the complaint. When an individual asks for assistance with the complaint filing process, DPHHS staff shall assist the individual.

Section: APPLICATION PROCESSING

Subject: Civil Rights

A complaint must be filed no later than 180 days from the date of the alleged discrimination. All complaints shall contain the following information:

1. The name, address and telephone number or other means of contacting the person filing the complaint;
2. The name and location of the organization or office accused of the discriminatory practice;
3. A description of the alleged discrimination incident;
4. The reason for the alleged discrimination (age, race, color, sex, disability, religious creed, national origin or political belief);
5. The names, titles (if appropriate) and addresses of individuals who may have knowledge of the alleged discriminatory acts; and,
6. The date(s) the alleged discriminatory action(s) happened.

**NOTE:** Individuals are not required to use any specific form to file a complaint as long as all the necessary information is present in the complaint. Form HCS-525 is available for the individual to use to file any civil rights complaint.

**OFFICE OF PUBLIC  
ASSISTANCE (OPA)  
RESPONSIBILITIES**

The OPA shall:

1. Inform individuals of their right to file a civil rights complaint with DPHHS or the Food and Nutrition Service (FNS) using materials provided by Human and Community Services Division or developed by the OPA;
2. Describe the process to each individual expressing an interest in filing a complaint;
3. Advise individuals of their right to file a complaint and any complaint filed with the State Office is forwarded to the appropriate Federal Office for investigation;
4. Document the complaint in writing if the individual makes verbal allegations and is reluctant to put it in writing;
5. Assure all complaints meet the requirements stated above and are forwarded within five days of receipt to the DPHHS Civil Rights Coordinator. The Civil Rights Coordinator makes copies and sends

to the Regional Director in Denver.

6. Respond to requests for information regarding nondiscrimination statutes and policies, complaint procedures, and rights of participating households within 10 days of the date of request;
7. Maintain a file of all discrimination and general complaints for review by federal and state reviewers;
8. Inform households and grassroots organizations of the Food Stamp Program and program changes;
9. Provide bilingual food stamp services in areas with a significant proportion of non-English or limited English speaking persons; and,
10. Train all staff involved administrating the Food Stamp Program on an ongoing basis about civil rights requirements.

#### **STATE RESPONSIBILITIES**

The State Central Office shall:

1. Publicize the federal procedures for filing a complaint regarding discrimination;
2. Ensure all offices involved in determining eligibility or issuing food stamp benefits display nondiscrimination posters approved or provided by FNS;
3. Respond to requests for information regarding nondiscrimination statutes and policies, complaint procedures, and the rights of participants within 10 days of the date of the request;
4. Include a nondiscrimination statement on all program informational material;
5. Ensure all graphics for the Food Stamp Program information convey the message of equal opportunity by displaying participants of different races, colors, sexes and national origins;
6. Train all staff involved with administering the Food Stamp Program on an ongoing basis about civil rights requirements;
7. Acknowledge receipt of any civil rights complaints received within five days and advise the complainant of the action(s) planned with a carbon copy (cc) to the Office of Public Assistance (OPA);



Section: APPLICATION PROCESSING

Subject: Civil Rights

8. Refer all complaints to the FNS Regional Office for Civil Rights within five days of receipt; and,
9. Maintain a log of all complaints received including complainant's name, date of incident, date of complaint, and basis of complaint.

#### **RACIAL/ ETHNIC DATA COLLECTION**

DPHHS obtains data on food stamp recipients by racial/ethnic category. Applicants are requested to voluntarily provide their race or ethnicity on the Application Forms (HCS-250 and HCS-252). If an applicant chooses not to provide racial/ethnic information, the OPA Case Manager determines the racial/ethnic category by observation and enters the appropriate code on the TEAMS ETMT screen.

#### **FOR FURTHER INFORMATION ON CIVIL RIGHTS**

Attorney General's Guidelines for Enforcement of Title VI;

Civil Rights Act of 1964, 28 CFR Sec. 50.3;

Title 28, Judicial Administration, Ch. 1, Dept. of Justice (Order No. 670-76) Part 42;

7 CFR Subtitle A, Parts 15, 15a, and 15b;

Federal Register, June 12, 1979, Part III, Department of Health, Education, and Welfare;

USDA FNS Instruction 113-7;

Title VI of the Civil Rights Act of 1964, as amended, prohibits discrimination on the basis of race, color or national origin;

Section 504 of the Rehabilitation Act of 1973, as amended, prohibits discrimination on the basis of physical or mental handicap;

The Age Discrimination Act of 1975 prohibits discrimination on the basis of age;

The Americans with Disabilities Act of 1990 prohibits discrimination on the basis of disabilities;

The Montana Human Rights Act generally prohibits discrimination based upon sex and marital status (among other grounds) in state operations; and,

The Montana Governmental Code of Fair Practices generally prohibits discrimination based upon political beliefs in state operations.

TP

Department of Public Health  
and Human Services

Section:  
APPLICATION PROCESSING

FAMILIES ACHIEVING  
INDEPENDENCE IN MONTANA

Subject:  
General Complaint Procedure

**Supersedes:** Family Assistance manual section FA 250-2

**References:** None

**GENERAL RULE:** Federal law requires states to maintain a system for handling general program complaints filed by participants, potential participants, or other concerned individuals or groups. This shall not include complaints alleging discrimination based on the protected classes outlined under Civil Rights law, or complaints that can be pursued through the fair hearing process.

**DEFINITION:** **General Program Complaint:** Any complaint regarding such areas as processing standards, or service to participants and potential participants.

**Examples** of complaints:

- Consistently late benefit delivery
- Late processing of applications
- Staff rudeness or misunderstandings
- Concern about office hours or access
- Information not being shared or telephone calls not being returned

**RESPONSIBILITIES:** **Department:** The department will maintain records for three years of complaints received and their disposition, and will follow up to see that the complaints are responded to and resolved. The records will be reviewed at least annually to assess whether patterns of problems may be present in local offices, project areas or throughout the state and to identify causes of those problems.

When warranted, the department may have to take corrective action in the resolution of certain complaints.

In addition the department will make information on the complaint system available to participants, potential participants and other interested persons. This can be done with written materials, posters, or other appropriate means.

**Directors and Supervisors:** Directors and Supervisors are responsible for notifying participants and the public of their right to file general program complaints. They will maintain a central complaint log that contains at least the minimum information listed below, and will follow up on

complaints to see that they are responded to and resolved. Complaints need to be reviewed periodically to see whether patterns of problems may be present and to identify possible causes of the problems. They are responsible to ensure that staff is trained on the proper processing of complaints.

**Employees:** Employees are responsible to record complaints received and see that they are logged, responded to and resolved.

**COMPLAINT LOGS:** County offices may use their own discretion in developing the forms for recording complaints and in developing their logs. This does not have to be consistent across the state. However, stacks of sticky notes or little scraps of paper are not adequate to constitute a complaint log. Complaint logs need to contain the following minimum information:

- Name, address and phone number or other means of contacting the complainant.
- Name and location of the organization, office, or person the complaint is against.
- The date(s) on which the action causing the complaint occurred.
- The reason for the complaint.
- The action taken and the resolution or disposition of the complaint.

**MONITORING:** Complaint logs will be routinely reviewed during the Management Evaluation Process and when FIA reviews take place in county offices. Logs will be evaluated for completion, complaint resolution and will be analyzed for patterns of problems and potential causes and solutions. Compliance with the General Program Complaint procedure will be noted in the report generated following all Management Evaluations and will also be noted during annual FIA reviews.

CwC/KJ/NC/LB/KQ

Department of Public Health  
and Human Services

Section:  
APPLICATION PROCESSING

FOOD STAMP PROGRAM

Subject:  
Application Filing/Interview Process

**Supersedes:** FS 103-1 (10/01/06)

**References:** 7 CFR 273.2; 7 CFR 273.14

GENERAL RULE -- The application process to determine eligibility for the Food Stamp Program includes filing and completing an application form, being interviewed, and verifying necessary information. A household has the right to file an application in person, through an authorized representative, by fax or other electronic transmission, or by mail. The household may submit the application to any Office of Public Assistance (OPA).

#### **FILING AN APPLICATION**

When a household or authorized representative contacts the OPA and expresses interest in receiving food stamp assistance or expresses concerns which indicate food insecurity, the OPA shall encourage the household or authorized representative to file an application the same day it contacts the OPA. If the household contacts the OPA by telephone and does not want to come to the office that day to file an application or there is a written request for food assistance, the OPA must mail the household an application the same day it receives the request.

The OPA must not require a completed application prior to scheduling an interview. When the household requests assistance with completing the application, the OPA will assist the household with completing its application.

When a joint application is received for TANF cash assistance and food stamp benefits, the household must be informed the work requirements of TANF (e.g., Family Investment Agreement/WoRC Employability Plan activities) do not apply to Food Stamp Program eligibility. If the household is encouraged to conserve its time-limited TANF benefits, the OPA Case Manager must inform the household TANF time limits do not apply to food stamp eligibility and encourage the household to continue with its application for food stamp benefits.

#### **APPLICATIONS BY OPA STAFF**

Special handling is given to an employee's case and an employee's immediate family's case to avoid a conflict of interest and to ensure privacy.

Cases having a conflict of interest between a household and an OPA employee are assigned to OPA staff member accordingly by the OPA supervisor or designee.

Section: APPLICATION PROCESSING

Subject: Application Filing/Interview Process

**SCREEN FOR EXPEDITED PROCESSING**

All applications must be screened for expedited processing immediately upon receipt in the OPA when the applicant requests food stamp benefits (FS 105-1).

**DATE OF APPLICATION**

The date of application is the date the front page of the application is received and date-stamped in the OPA. If determined eligible, benefits are prorated from that date.

► An application (HCS-250) previously received regardless of whether the application was or was not processed for TANF or Medicaid can be used as an application if the household wants to apply for food stamp benefits and the application is less than 30 days old. The application must be date-stamped with the date the household re-signs the application to apply for food stamp benefits. If determined eligible, benefits are prorated from that date. The information on the application must be updated during the interview.

► **Example:** An application (HCS-250) was submitted for Medicaid on April 2nd. The household calls on April 15th and requests food stamp benefits.

Since the application (HCS-250) submitted for Medicaid on April 2nd is less than 30 days old, it can be used to determine food stamp eligibility. The application must be date-stamped with the date the household signs the application again. If determined eligible, benefits are prorated from that date. The information on the application is updated during the food stamp interview.

**NOTE:** When a resident of an institution jointly applies for Supplemental Security Income (SSI) and food stamp benefits prior to leaving the institution, the filing date of the application is the date of discharge from the institution.

An action must be taken on all date-stamped applications. Once date-stamped, the *original* application cannot be returned to the household even if the household requests withdrawal of its application. The household has a right to receive copies of the contents of its case file (FS 101-1).

**APPLICATIONS FILED BY THE SOCIAL SECURITY ADMINISTRATION**

Social Security Administration (SSA) staff accepts completed applications submitted by SSI households for the Food Stamp Program. SSA forwards all applications for food stamp benefits to the OPA. The OPA must review applications mailed from the SSA office to determine entitlement to expedited services. The review must be done the day the application is received in the OPA. Applications forwarded from the SSA office are

prorated from the date SSA office received the application. The date the application is received by OPA and screened is the date of discovery for expedited services.

The OPA Case Manager is not required to interview households who made application for food stamp benefits at the SSA office. The OPA Case Manager may contact the household if the application was not properly completed, mandatory verification is missing, or information is questionable. This contact does not constitute an interview.

### **COMPLETED APPLICATION**

The OPA Case Manager must ensure all items on the application are completed in accordance with the application's instructions, and the application must be signed before the household can be determined eligible for food stamp benefits. OPA staff will assist the household with completing its application when the household requests assistance completing the application.

When the OPA Case Manager writes updated information on the application, a suggested best practice is to use a different colored ink pen than the color used by the applicant to complete the application. Any portion of the form completed by a person other than the household should be initialed by that person.

### **TIME FRAME FOR PROCESSING THE APPLICATION**

The application must be processed in order to provide eligible households the opportunity to participate (receive benefits) as soon as possible, but not later than:

1. Thirty calendar days following the date of application for regular processing; or,
2. Seven calendar days following the date of application for households eligible for expedited services (FS 105-1).

Food stamp applications processed under regular processing timelines must be processed so the household will receive benefits by the 30th day following the date of application unless the application is properly pended for required verification needed to approve the application. The OPA Case Manager must take into consideration mail time, weekends, and holidays. An application is considered properly pended until the 30th day following the date of application if the verification requested is required information to approve the application such as income, questionable resources, household composition, etc.

**Example 1:** The application was received on November 18th. The 30 day processing timeline is December 18th which is a Sunday. If all required verification is received, the

application must be authorized by December 14th. The EBT card is mailed on the 15th and that allows for two days mail time so the household will receive the EBT card in the mail on Saturday, December 17th.

**Example 2:** The application was received on November 18th. The household was required to verify wages and shelter expenses. Verification of wages was received on November 25th. On December 14th the shelter expenses were not verified, so the application is processed without allowing the shelter expenses. The shelter expenses are verified on December 16th. Benefits are restored for November because verification was provided within 30 days following the date of application, supplemented for December, and increased for January.

**Example 3:** The application was received on November 18th. The household was required to verify wages and shelter expenses. Verification was not received as of December 19th (household has through the 19th because the 18th falls on a weekend). On December 20th the application is denied using the F200 TEAMS notice due to failure to verify wages (not shelter expenses).

If the household provides the verification after the 30 day period following the date of application but before the 60th day following the date of application, benefits are prorated from the date the verification was provided (FS 104-1).

**Example 4:** The application was received November 18th. The household is interviewed on December 12th. Verification of wages and shelter expenses were requested to be received via TEAMS notice within 10 days. Verification of wages was received on December 20th, but the shelter verification was not received. On December 23rd the application is processed without using the shelter expenses. On December 29th the shelter verification is received. January benefits are increased and a supplement is not authorized for December since the verification was not received within the 10 day request for information period.

If a household reapplies for food stamp benefits after a break in participation of any length of time, benefits are prorated from the date the household reapplies for food stamp benefits (FS 104-4).

**EXCEPTION:** Migrant and seasonal farm worker households receive a full month's benefits if they reapply after a break in participation of less than 30 days (FS 105-2).

#### **OPA RESPONSIBLE FOR PROCESSING APPLICATION**

A household may submit an application to any OPA. The OPA receiving the application date-stamps it, registers it upon receipt, schedules an interview, and processes the application.

At the request of the household to be interviewed and/or to have its case maintained at an OPA more convenient for it, the OPA will fax the first page and mail the original application on the same day as received to the OPA requested by the household. This OPA registers the application upon receipt, schedules an interview, and processes the application. A case open on food stamps along with TANF, and/or a Medicaid program must be managed by the same OPA. The programs' most restrictive policy applies regarding the OPA that will maintain the case. TANF has the most restrictive policy. Medicaid and the Food Stamp Program policies are less restrictive.

#### **INTERVIEWS**

All households applying for food stamp benefits must have an interview conducted by qualified OPA staff prior to initial eligibility determination and at least once every 6, 12, or 24 months thereafter depending on the household's circumstances. Any responsible member of the household or an authorized representative can be interviewed. The household may bring any person he/she chooses to the interview.

**NOTE:** When a household member or authorized representative does not complete the initial scheduled interview, the OPA Case Manager must send the household the TEAMS notice F033, RESCHED – MISSED INIT. INTER, no later than the day after the interview was scheduled.

The purpose of the interview is to review the information on the application and inquire and resolve any unclear and incomplete information. It is also used to advise the household of its rights and responsibilities, application processing procedures, and its reporting requirements. The interview is conducted as an official and confidential discussion of the household's circumstances. The household's right to privacy and confidentiality must be protected during the interview.

An interview must be scheduled as soon as possible so the household has an opportunity to participate (receive benefits) in the Food Stamp Program within 30 days following the date of application or seven days for



► expedited services.

The OPA Case Manager must notify applicants that the required in-person interview may be replaced with a telephone interview or a home visit. A home visit must be scheduled in advance with the household. The in-person interview can be replaced for the following:

1. households having no countable earned income **and** all members of the household are elderly or disabled; or,
2. hardship situations including but not limited to:
  - a. illness;
  - b. transportation difficulties;
  - c. care of a household member;
  - d. residency in a rural area;
  - e. severe weather conditions;
  - f. work or training hours; or,
  - g. other hardship situation.

**NOTE:** The OPA Case Manager must document in TEAMS case notes the hardship reason for replacing the in-person interview and if the household was interviewed by telephone or during a home visit.

TP

Department of Public Health  
and Human Services

Section:  
APPLICATION PROCESSING

FOOD STAMP PROGRAM

Subject:  
Household Rights and Responsibilities

**Supersedes:** FS 103-3 (02/01/02)

**References:** 7 CFR 273.1 and 7 CFR 273.2

► GENERAL RULE -- The Office of Public Assistance (OPA) Case Manager will inform all households applying or recertifying for food stamp benefits of their rights and responsibilities using the form HCS-220. The form also informs households of their reporting requirements. The household is not required to sign the form. Benefits cannot be pended or denied for not signing the form.

**►HOUSEHOLD'S  
RIGHTS**

Households applying for or receiving food stamp benefits have the right to:

1. have their civil rights protected;
2. be informed that case information is confidential and is shared only for purposes directly related to the administration of the Food Stamp Program;
3. request help to complete forms and obtain required verification;
4. have interpreter or translator services at no cost or delay;
5. request an appointment outside regular business hours to accommodate work schedule;
6. have the application processed and receive a written decision regarding the eligibility determination within 30 days following the date of application unless the OPA is unable to make an eligibility determination due to circumstances beyond the OPA's control;
7. request a fair hearing if they disagree with any action taken on their case;
8. request management review of an employee decision without affecting rights to a fair hearing;
9. receive food stamps within 30 days following the date of application if determined eligible;
10. receive food stamps within seven days if determined eligible for expedite processing;

11. receive a written notice mailed at least 10 days before benefits are decreased or closed;
12. be informed of changes in eligibility and benefits;
13. be assisted with the application/recertification process by individual(s) of their choice;
14. be informed of the consequences if they do not comply with all required non financial and financial eligibility requirements;
15. be informed of the disqualification penalties for an intentional program violation and fraud; and,
16. claim good cause for not complying with certain eligibility requirements.

**►HOUSEHOLD'S  
RESPONSIBILITIES**

Households applying for or receiving food stamp benefits have the responsibility to:

1. complete and sign the application form and any other required forms;
2. report changes according to their reporting requirements;
3. provide a Social Security number for all members of the household requesting to participate in the Food Stamp Program unless good cause exists (FS 303-1);
4. provide all information/verification as requested within the time specified; and,
5. comply with all program requirements and requests for verification/information such as cooperation with Program Compliance reviews.

TP

Department of Public Health  
and Human Services

Section:  
APPLICATION PROCESSING

FOOD STAMP PROGRAM

Subject:  
Verification

**Supersedes:** FS 103-5 (04/01/06)

**References:** 7 CFR 273.2(f); 7 CFR 273.2 (b)(1)(i)

**GENERAL RULE** -- Verification is the use of documentation or a contact with a third party to confirm the accuracy of statements or information. Households must be given at least 10 days to provide verification. If the last day to provide verification falls on a weekend or holiday, households are allowed through the next business day to submit the verification.

**NOTE:** Requests for verification listed on application and recertification approval notices are not considered 10-day request for verification notices. Also, the TEAMS notice X034, REDE INTERVIEW TANF/FS, is not considered a 10-day request for information notice. A separate notice after the interview but prior to authorizing benefits must be sent allowing the household at least 10 days to provide verification.

#### **≥DUE DATES FOR VERIFICATION**

If an application is being processed as expedited, the OPA Case Manager must send a TEAMS notice allowing the household at least 10 days or to the end of the expedited issuance period, whichever is longer to provide requested verification.

**NOTE:** Verification of identity must be provided before expedited benefits can be issued. Expedited benefits may be issued pending receipt of all other verification (FS 105-1).

If an application is being processed under regular processing procedures, the OPA Case Manager must send TEAMS notice F007, PEND APPL-REQUEST FOR INFO, allowing the household until the 30th day following the date of application or a minimum of 10 days, whichever is longer to provide requested verification.

**Example 1:** The application date is June 1st and the interview is held the same day. The OPA Case Manager sends TEAMS notice F007 allowing the household until July 1st to provide requested verification.

**Example 2:** The application date is June 1st. On June 26th the household completes its interview, and the OPA Case Manager sends a TEAMS notice F007 allowing the

household until July 6th (10 days) to provide requested verification.

When a recertification, interim report, or an ongoing case is being processed the OPA Case Manager must send a TEAMS notice allowing the household at least 10 days to provide requested verification.

## TYPES/SOURCES OF VERIFICATION

Types of verification include:

1. **Documentary evidence** is written confirmation of a household's circumstances. **It is used as the primary type of verification for all items except residency and household composition.** Although documentary evidence is the primary type of verification, acceptable verification is not limited to any single type of document and may be obtained through the household or other source.

Sources of documentary evidence include but are not limited to: pay stubs, rental lease agreements, and utility bills.

The OPA Case Manager must document in case notes the source of the documentary verification, the information verified, and the date the verification was received.

2. **Collateral contact** is an oral confirmation of a household's circumstances by a person outside the household. The collateral contact may be made either in person or by telephone.

The OPA Case Manager may choose a collateral contact if the household does not designate one or designates one that is not acceptable. The OPA Case Manager should only disclose the information that is absolutely necessary to obtain the needed information. When talking to a collateral contact, the OPA Case Manager should try to avoid disclosing that the household is applying for food stamp benefits and try to avoid disclosing any information supplied by the household.

Sources of collateral contacts include but are not limited to: employers, landlords, social service agencies, and migrant service agencies.

If a collateral contact is used to verify information, the OPA Case Manager must document the name and phone number of the collateral contact, the information verified, and the date the information was verified.

Section: APPLICATION PROCESSING

Subject: Verification

3. A **home visit** may be used as verification only when documentary evidence is insufficient or cannot be obtained to make an accurate eligibility determination. A home visit must be scheduled in advance with the household.

#### RESPONSIBILITY OF PROVIDING VERIFICATION

The household has the primary responsibility for providing documentary evidence to support statements on the application and to resolve any questionable information. Households may provide verification in person, through the mail, fax, e-mail, or through an authorized representative. The OPA Case Manager will assist the household as long as the household is cooperating with the application process.

**NOTE:** A participant has authorized federal, state, and local agencies to verify information if needed to determine eligibility by signing the 'Application for Assistance', (DPHHS-HCS-250 and DPHHS-HCS-252). The 'Release of Information' form, (HCS-101), **is not required** but is a useful tool when businesses, agencies, etc. will not release information without a signed release of information statement by the participant.

#### VERIFICATION AT APPLICATION

For households applying for food stamp benefits, the following information must be verified **prior** to the eligibility determination and issuance for non-expedited processing of applications.

1. **Residency** - verify to the extent possible in conjunction with verification of other information. If verification cannot be accomplished in conjunction with the verification of other information such as rent/mortgage payment, a utility expense, identity, etc., the OPA Case Manager may use a collateral contact or other readily available documentary evidence.

There is no durational residency requirement. The household is not required to reside in a permanent dwelling, or have a fixed mailing address, or demonstrate intent to reside permanently in the state.

Applicants living anywhere in Montana for any purpose other than a vacation, regardless of the length of time they have been in Montana or plan to stay, meet residence requirements. Persons living in tents, vehicles, campers, under bridges, campsites, etc. meet residence requirements.

An application must not be denied if the OPA Case Manager and the household have made a reasonable effort to verify residency but verification is difficult to obtain.

2. **Identity** - verify the identity of the person making application. If an authorized representative applies on behalf of a household, the identity of both must be verified. Identity may be verified through readily available documentary evidence, or through a collateral contact.

Acceptable verification may include but is not limited to: driver's license, work or school I.D., I.D. for health benefits or for another assistance or social services program, birth certificate, Social Security card, and wage stub.

Any documents reasonably establishing the identity must be accepted and no requirement for a specific type of document such as a birth certification can be required. Only one document that establishes identity can be required.

3. **Eligible alien status** - verify the eligible status for each alien applicant.

Alien status is normally verified through U.S. Citizenship and Immigration Service (USCIS) Forms I-94, I-151, I-551, Passport, G-641, or I-688 (FS 301-2).

If an individual chooses not to provide verification of his/her alien eligible status and does not want the OPA Case Manager to contact USCIS to verify his/her immigration status, the household may choose to withdraw the application or to participate without that member's needs included in the benefit determination.

4. **Social Security Number (SSN)** - verified through the agency system interface between TEAMS and Social Security Administration. Hard copy verification of a SSN is not required.

Providing a Social Security number (SSN) for each household member is voluntary. However, if a SSN is not provided, the individual cannot participate in the Food Stamp Program unless the individual meets good cause (FS 303-1).

The determination of eligibility or issuance of benefits must not be delayed to an otherwise eligible household solely to verify the SSN of a household member. Once a SSN is verified the OPA must make a permanent notation in its file to prevent the unnecessary re-verification of the SSN in the future.

If an individual does not have or is unable to provide a SSN and wants to participate in the Food Stamp Program, the individual must apply for a SSN.

If the household is unable to provide proof of application for a SSN for a newborn, the household must provide the SSN or proof of application at its next recertification or within six months following the month the baby is born, whichever is later. If the household is unable to provide a SSN or proof of application for a SSN within those time frames, the OPA Case Manager will determine if good cause is applicable (FS 303-1).

Generally, the SSN application process begins while the mother is still in the hospital. If a SSN application is made for a newborn prior to the mother leaving the hospital, the application for a SSN from the hospital is acceptable verification.

5. **Household composition** - verify factors affecting the composition of a household, **if questionable**.
6. **Disability** - verify the individual meets the definition of disabled as defined in the glossary (FS 0-4).

Acceptable verification includes but is not limited to the participant receiving Supplemental Security Income (SSI), Social Security disability/blindness benefits, or Veterans Administration (VA) benefits due to being 100% disabled.

7. **Student status** - verify eligible student status (FS 201-5).
8. **Gross non-exempt income** - verify all income that is not exempt.

The household's statement is accepted as verification of interest income when the household reports its interest income is \$10 or less per month or \$120 or less per year.

Acceptable verification includes but is not limited to: pay stubs, W-2 forms, employer wage verification form, income tax forms and returns, bookkeeping records, sales and expenditure records, award letters (unemployment insurance, Veteran's Administration, pensions, Railroad Retirement); support and alimony payments (court order, divorce decree, or separation papers); contribution checks; benefit warrants, current SDX and BENDEX interfaces, SEARCHS, and MISTICS for Montana unemployment insurance (FS 500 through FS 503-2).



≥

The household must identify a collateral contact for the OPA Case Manager to contact to obtain the verification if the household cannot provide acceptable documentary proof of income. When all attempts to verify the income are unsuccessful because the person or organization providing the income does not cooperate with the household or the OPA and all other sources of verification are not available, the OPA Case Manager determines the amount to be prospectively budgeted based on the best available information.

9. **Deductible expenses:**

**NOTE:** The expense is not allowed if the expense is not reported and/or verified. The OPA Case Manager will assist the household with obtaining verification as long as the household is cooperating with the application process.

- a. **Child support obligation** - verify the household's legal obligation to pay child support, the obligation amount, and monthly amount of child support the household actually pays.

Acceptable verification may include but is not limited to: canceled checks, wage withholding statements, verification of withholding from unemployment compensation, statements from custodial parent, and SEARCHS (FS 602-2).

- b. **Medical expenses** - verify medical expenses including the amount of the reimbursement (FS 602-3).

When documentary evidence cannot be obtained or is insufficient to make a determination for the amount of the deduction, the OPA Case Manager should reasonably attempt to verify information with a collateral contact (FS 602-3).

- c. **Shelter expenses** - verify all allowable shelter expenses (FS 602-4).
- d. **Utility expenses** - verify the household's obligation to pay for heating, cooling, cooking fuel, electricity, water, sewage, garbage, and telephone expenses including charges for initial installation of the utility.

Acceptable verification includes but is not limited to: utility bills, canceled checks, copies of money orders, landlord form, etc. (FS 602-4).

- e. **Dependent care** - verify payments to the day care provider including reimbursements for the actual costs for the care of children or other dependents when necessary for a household member to accept or continue employment, seek employment, comply with employment or attend training, or pursue education preparing for employment (FS 602-2).
10. **Questionable information** - verify all information that is inconsistent, incomplete, or outdated information.
- a. **Inconsistent information** - the household's statements on the application or during the interview are contradictory, do not agree with information in the case file/TEAMS, or do not agree with information the OPA Case Manager knows to be factual.
- The household must be given at least 10 days to resolve the discrepancy prior to an eligibility determination when information from another source contradicts statements made by the household.
- b. **Incomplete information** - gaps in information that are facts.
  - c. **Outdated information** - is information too old to be considered valid. It depends on the particular piece of information in question whether or not it is considered outdated.

## VERIFICATION AT RECERTIFICATION

Unchanged information does not need to be verified at recertification unless the information is incomplete, inaccurate, inconsistent or outdated. The following information is verified:

- 1. Change(s) in income if the source has changed or the amount has changed by more than \$50. Verification of income is not required if the source has not changed and if the amount is unchanged or has changed by \$50 or less unless the information is incomplete, inaccurate, inconsistent or outdated.

**NOTE:** Generally, income that fluctuates from month to month changes more than \$50 and is verified at recertification.

2. Previously unreported utility expenses, utility expenses if the source changed, and previously reported but not verified utility expenses. Verification of utility costs claimed by the household that has not changed is not required unless the information is incomplete, inaccurate, inconsistent, or outdated.
3. Previously unreported medical expenses and total recurring medical expenses that changed by more than \$25. Verification of total medical expenses claimed by the household that have not changed or have changed by \$25 or less is not required unless the information is incomplete, inaccurate, inconsistent, or outdated.
4. Change(s) in the household's legal obligation to pay child support, the obligation amount, and monthly amount of child support the household actually pays to a non-household member. Verification of reported unchanged information is not required to be verified unless the information is incomplete, inaccurate, inconsistent or outdated.
5. An able bodied adult without dependents must have work hours verified if he/she is meeting the work requirement by working, participating in the Food Stamp Employment and Training program or by participating in a work program that is not operated or supervised by the state.
6. Other information that has changed, such as rent/mortgage, home-owner's insurance, property taxes, dependent care, student status, fleeing felon, drug conviction, etc. Unchanged information is not required to be verified unless the information is incomplete, inaccurate, inconsistent or outdated.

**Example:** An elderly household receiving housing assistance has her annual housing review every March. The household reports and verifies in March a rent increase for April. The household's food stamp recertification is October. The household states during the interview the rent is the same amount as reported in March. The rent does not have to be verified because the expense was previously verified and the information is not incomplete, inaccurate, inconsistent or outdated.

TP

Department of Public Health  
and Human Services

Section:  
APPLICATION FILING

FAMILIES ACHIEVING INDEPENDENCE IN  
MONTANA

Subject:  
Voter Registration

**Supersedes:** FMA 103-6 (12/01/98)

**References:** National Voter's Registration Act of 1993 (NVRA)  
P.L. 103-31, effective 1/1/95; MCA 13-2-221

GENERAL RULE--Agency based registration is a requirement of the National Voter's Registration Act (NVRA) of 1993. Agencies mandated to implement voter registration reform include those that provide public assistance.

**Each applicant/recipient must be offered a voter registration form with each application for services or assistance, recertification, redetermination or change of address form.**

**NOTE:** Completed voter registration forms shall be transmitted to the local Clerk and Recorder within ten (10) calendar days from the date received or within three (3) calendar days of the close of registration which is thirty (30) days before an election.

#### **DECLINATION/ AGENCY RETENTION FORMS**

In accordance with federal regulations, the Secretary of State's Office has developed an Agency Retention Form which will be attached to the voter registration card. The Agency Retention Form includes the following:

1. A question regarding whether or not the individual would like to apply to register to vote;
2. A statement which indicates applying to register or declining to register to vote will not affect the amount of assistance provided by the agency;
3. Boxes for the applicant to check indicating whether or not they would like to register or decline to register, along with a statement indicating checking neither box will be considered a decision not to register to vote at this time;
4. A statement regarding the Department of Public Health and Human Services' (DPHHS) responsibility to assist in completion of the voter registration application form, if desired; and

Section: APPLICATION FILING

Subject: Voter Registration

5. A statement instructing the individual how to proceed if they believe someone has interfered with their right to register to vote, their right to privacy or their right to choose their political preference.

**NOTE:** Agency Retention Forms and Voter registration cards are available from the Secretary of State's Office at (406)444-2034.

**ELIGIBILITY  
STAFF  
RESPONSIBILITIES**

DPHHS and agency staff who provide voter registration services shall **not**:

1. Seek to influence an applicant's political preference or decisions;
2. Display any political preference or party allegiance;
3. Make any statement or take any action to discourage an applicant from registering to vote;
4. Make any statement or take any action that leaves an applicant with the impression that a decision to register or not register has any bearing on eligibility for or receipt of any program benefit; and
5. Disclose the identity of the voter registration agency of any applicant to the public (right of privacy).

**COUNTY  
DIRECTOR/  
DESIGNEE**

County Director/Designee responsibilities include:

1. Ensuring voter registration information, Registration Cards and Agency Retention Forms are made available for each applicant/recipient (even those interviewed in their home) as specified below;
2. Ensuring procedures are in place to transmit completed Registration Cards to the Clerk and Recorder within ten calendar days, taking care to protect the confidentiality of applicants by using **plain envelopes**; and
3. Ensuring Agency Retention Forms are forwarded on a monthly basis to:  
Secretary of State's Office  
PO Box 202801  
Helena, MT 59620-2801

**OPA CASE  
MANAGER**

OPA Case Manager responsibilities include:

1. Offering a voter registration opportunity to each:

Section: APPLICATION FILING

Subject: Voter Registration

- a. Applicant for FAIM Financial, Food Stamps or Medicaid;
- b. Recipient reporting a change of address; and
- c. Individual completing a recertification and/or redetermination.

Offering the opportunity to register to vote is accomplished by having the applicant:

- a. Read the Agency Retention Form, which is attached to the registration card;
- b. Check the “yes” or “no” box; and
- c. Sign the form at the bottom.

**NOTE:** If an applicant/participant does not wish to complete the agency retention form or checks a box but declines to include other identifying information, treat this as a blank form and continue with your normal service to the applicant.

- 2. Providing the same level of assistance to any applicant/recipient in completing the voter registration form, if requested, as would be provided in completing the application for assistance;
- 3. Routing registration(s) to the County Clerk and Recorder Office following procedure established in your local office; and
- 4. On a monthly basis, forwarding the Agency Retention Forms to:

Secretary of State's Office  
PO Box 202801  
Helena, MT 59620-2801.

**NOTE:** When an individual has included some identifying information on the Agency Retention Form but declines to sign it, send the unsigned form to the Secretary of State's Office.

≥

**NOTE:** It is a best practice to note on TEAMS Case Notes (CANO) the individual was afforded the opportunity to register to vote.

o O o

Section: APPLICATION FILING

Subject: Voter Registration

Department of Public Health  
and Human Services

Section:  
APPLICATION PROCESSING

FOOD STAMP PROGRAM

Subject:  
Authorized Representative

**Supersedes:** FS 103-7 (04/01/03)

**References:** 7 CFR 273.2(n), 273.2(n)(1); 273.2(n)(2); 273.2(n)(3); 273.2(n)(4); 273.2(4)(i)(C)

GENERAL RULE -- The Office of Public Assistance (OPA) shall inform households who indicate difficulty completing the application process that any responsible adult member of the food stamp household may authorize a representative to act on its behalf. An authorized representative may be designated for application processing purposes and may also carry out household responsibilities during the certification process such as reporting changes according to the household's reporting requirements. The same or a different representative may be authorized to obtain and use food stamp benefits for the household.

#### DEFINITION

An adult non-household member may be designated as an authorized representative if:

1. He/she is designated in writing by any responsible adult member of the household participating in the Food Stamp Program; and,
2. He/she is aware of relevant household circumstances.

If the only adult living with the household is not participating, such as a disqualified or an ineligible individual (coded 'DQ' or 'DS'), he/she may be the authorized representative for the minor household members.

#### AUTHORIZED REPRESENTATIVE RESTRICTIONS

The following restrictions apply to authorized representatives:

1. Employees involved in the certification and/or issuance processes may not act as authorized representatives;
2. Retailers authorized to accept food stamp benefits may not be an authorized representative without written approval from the OPA County Director. Retailers may be authorized only if it is determined no one else is available to be an authorized representative;
3. Homeless facilities providing meals (FS 0-4) may not act as authorized representatives for homeless food stamp households; and,



4. Individuals disqualified for Intentional Program Violation may not be an authorized representative during the disqualification period **unless** the individual is the only adult member of the household able to act on its behalf as determined by the OPA County Director.

#### DESIGNATING AN AUTHORIZED REPRESENTATIVE FOR EBT

The primary information (PI) person of a food stamp case is sent a Montana Access Card (EBT). The food stamp authorized representative can also receive a card for the household. If an authorized representative exists for a case, the household must determine if the authorized representative should receive an EBT card.

If the authorized representative **should receive an EBT card for the household, the authorized representative's address (not the PI's address) must be entered in the FS BEN ADDRESS field on ADDR, AND the name must be recorded on the Authorized Rep/Protective Payee (AURP) screen.** An EBT card is issued automatically to any authorized representative listed on AURP. The authorized representative's card displays his/her name and a unique card number. Both cards have equal access to the food stamp benefits for the household.

If the authorized representative **should not receive an EBT card for the household, the authorized representative's name must not be entered on AURP.** The authorized representative's name **must** be documented in case notes as an 'information only' person. The heading, '**FS Authorized Representative**', is used for the subject line for easy identification.

OPA Case Managers **must not** enter the PI's name and address in the FS BEN ADDRESS fields on ADDR as a way to prevent the FS authorized representative listed on AURP from receiving a card because both the PI's card and the authorized representative's card will be mailed to the household's address. However, if a household has a need for two EBT cards, the other adult household member's name and address can be entered in the FS BEN ADDRESS fields on ADDR.

**Example:** Mom, dad, and two children. Dad is a long haul truck driver. The household has a need for two EBT cards. Dad needs a card to purchase food while he is on the road, and Mom needs a card to purchase food for the household.

Section: APPLICATION PROCESSING

Subject: Authorized Representative

**≥DEACTIVATING  
EBT CARD FOR  
AUTHORIZED  
REPRESENTATIVE**

If the authorized representative is not included in the food stamp household, any adult food stamp household member can call the EBT Customer Service phone number and request to have the authorized representative's EBT card deactivated. The EBT Customer Service Representative will deactivate the authorized representative's EBT card.

If the authorized representative is included in the food stamp household, another household member cannot deactivate the authorized representative's EBT card.

**DISQUALIFICATION  
OF AN AUTHORIZED  
REPRESENTATIVE**

An individual may be disqualified from participating as an authorized representative in the Food Stamp Program for up to one year when the authorized representative misrepresented the household's circumstances and knowingly provided false information pertaining to the household, or improperly used the household's benefits. Adequate written notification must be sent to the affected household and to the authorized representative 30 days prior to the date of disqualification.

Households should be advised they are held responsible for over issuances resulting from erroneous information provided by their authorized representative.

**SIGNATURE ON  
THE APPLICATION**

The individual signing the application attests under penalty of perjury to the citizenship or alien status of each of the household members. Any responsible adult member of the food stamp household or the authorized representative is permitted to sign the application.

**NOTE: Only one signature is required on the application.**

In the absence of any responsible adult member in the food stamp household, a legal guardian for any member of the household may sign the application. If there is no legal guardian appointed, the authorized representative may sign the application. The authorized representative shall be required to present all required documentation and other verification requested of the household.

TP

Department of Public Health  
and Human Services

Section:  
APPLICATION PROCESSING

FOOD STAMP PROGRAM

Subject:  
Application Approval or Denial

**Supersedes:** FS 104-1 (10/01/07)

**References:** 7 CFR 273.10, 7 CFR 273.2 (g)(3), 7 CFR 273.2(a)(2), 7 CFR 273.2(c)(6), 7 CFR 273.12(a), Sections 11(u) and 105(a)(3) of the Food Stamp Act

GENERAL RULE -- All non-expedited applications must be approved or denied within 30 days following the date of application. Processing delays are the only exceptions to this rule.

**ACTIONS WHEN  
APPLICATION IS  
APPROVED**

When an application is approved, the Office of Public Assistance (OPA) Case Manager must:

1. Authorize the benefit amount(s);
2. Send the appropriate TEAMS approval notice;
3. Send the appropriate TEAMS reporting requirement notice;
4. Send the TEAMS notice X010, 'School Breakfast/Lunch Program' to all households with school-aged children; and,

**NOTE:** The household or OPA Case Manager is not required to inform the school when the children no longer receive food stamps.

5. Document in TEAMS case notes in sufficient detail to determine the reasonableness and accuracy of the eligibility determination.

**ALLOTMENT  
PRORATED FOR  
MONTH OF  
APPLICATION**

The food stamp benefit amount for the initial month of application is prorated from the application date to the end of the month. TEAMS correctly calculates the benefit amount for a household applying on the 31st as though it applies on the 30th.

**MINIMUM  
ALLOTMENTS**

If the prorated benefit amount for the initial month's allotment is less than \$10, the allotment is not issued for the initial month. The OPA Case Manager sends the household the F125 notice, 'APPR FS BENEFIT PRORATED < \$10'.

All eligible one and two person households receive a minimum monthly allotment of \$10 except for the initial month when the allotment is not issued. Households with three or more members eligible for a benefit amount receive minimum allotments of \$2, \$4, and \$6 respectively.

Households (including categorically eligible households) with three or more members passing the gross monthly income (GMI) and net monthly income (NMI) tests but are not eligible for a benefit amount are denied or closed.

### COMBINED ALLOTMENTS

A household receives on the same day a prorated allotment for the application month as well as the full allotment for the following month when the following criteria are met:

1. Applies on or after the 16th of the month;
2. Completes the application process;
3. Is determined eligible to receive benefits for the initial month of application and the next month under normal or expedited processing guidelines; **and,**
4. The initial and next month's benefits are **authorized on the same day.**

**NOTE:** If for any reason benefits are authorized on two separate days, the second month's allotment is not issued until the normal issuance cycle for the month.

**Example:** An application is received May 16th. The household is interviewed and submits all verifications on May 23rd. May and June benefits are authorized on May 23rd. The household receives both allotments the same day.

### CHANGES REPORTED AFTER THE INTERVIEW

A household is required to report all changes related to its eligibility and benefit amount at the application and recertification interview. A household is required to report changes according to the household's reporting requirements after receiving the notice of eligibility (approval notice).

If a change is reported **after the interview but before the notice of eligibility (approval or denial notice)** is mailed, the OPA Case Manager must act on the change within 10 days of the change being reported regardless of the household's reporting requirements. The OPA Case Manager must send the household a TEAMS notice allowing the household 10 days to verify the change. This change must be included in the application eligibility determination. Benefits must not be delayed (held or pended) beyond the 30th day following the date of application waiting for verification.

**EXCEPTION:** Resources available at the time the household is interviewed are used to make the resource determination. Changes in resources that occur or are reported after the interview but prior to the notice of eligibility (approval or denial notice) being mailed to the household are disregarded for the month of application. The changes must be considered in determining resource eligibility for the second month's benefit unless the second month's benefit was already issued or time lines do not allow for an adverse action notice to be sent to the household (FS 400).

If there are 10 days before the 30th day of the application processing time frame to verify a change, eligibility is not determined until the verification is received. The OPA Case Manager must send the household a TEAMS notice allowing at least 10 days to provide verification of the change. The change is included in the initial application eligibility determination.

If there are not 10 days before the 30th day of the application processing time frame to verify a change, the application eligibility determination is based on information requested at the interview. The OPA Case Manager must send the household a TEAMS notice allowing 10 days to provide verification of the change. If the verification is received before eligibility is determined and the notice of eligibility (approval notice) is mailed to the household, the change is included in the application eligibility determination. If the verification is received after eligibility is determined and the notice of eligibility (approval notice) is sent to the household, the change is included in the eligibility determination for the month after receipt of the verification following notice of adverse action procedures.

**Example 1:** A household consists of Ed and three children. The application date is August 5th. Ed is interviewed on August 15th.

On August 22nd Ed submits all necessary information requested at the interview to determine eligibility, and also reports he will receive a raise effective September 1st. The OPA Case Manager requests verification of the raise on August 23rd.

Since there are 10 days before the 30th day of the application processing time frame to verify the change, the application eligibility is not determined until the verification is received. The change is included in the initial application determination of eligibility.

**Example 2:** A household consists of Ed and three children. The application date is August 10th. Ed is interviewed on August 15th.

On August 25th Ed submits all necessary information requested at the interview to determine eligibility. On September 2nd after the interview but before the notice of eligibility (approval notice) is sent, Ed reports he will receive a raise effective September 1st. On September 2nd the OPA Case Manager requests verification of the raise.

Benefits cannot be held waiting for verification beyond the 30th day of the application date. If the verification is received before eligibility is determined and the notice of eligibility (approval notice) is sent to the household, the change is included in the initial application approval. If the verification is received after eligibility is determined and the notice of eligibility (approval notice) is mailed to the household, the change is included in the eligibility determination for October providing the household with timely notice of adverse action.

## DENIAL OF APPLICATION

When it is known the household is ineligible for benefits for the month of application AND the household does not anticipate a change, the application is denied without waiting until the 30th day. However, if the household anticipates a change that allows eligibility in the second month, the OPA Case Manager requests verifications be provided within the 30-day application processing time frame. If eligible in the second month, the OPA Case Manager must send the household the F124 notice, 'APPR SECOND MONTH---DENY FIRST'.

If a household member or authorized representative is interviewed but does not provide all the necessary information/verification requested in the notice to process the application, the application must be denied on the 30th day following the application *date providing the household had at least 10 days* to provide the requested verification. The OPA Case Manager must send the F200 notice, 'DENY-NONCOMP APP PROCESSING', to the household **on the 30th day** following the application date or the 10th day of the request for information/verification whichever is later. The F200 notice informs the household that it must report all changes in its circumstances since the application was received by the OPA. If the household is subsequently determined eligible in the second 30-day period, the benefit amount is prorated from the date the household provides the requested information and/or verification.

If a household member or authorized representative does not appear for the scheduled interview, the OPA Case Manager must send the household the F033 notice, 'RESCHED.-MISSED INT. INTER', no later than the day after the interview was scheduled. The notice informs the household of its responsibility to reschedule the interview if it wants to continue the application process.

If a household member or authorized representative does not appear for an interview and has made no subsequent contact expressing interest in pursuing the application, the OPA Case Manager must send the household the F200 notice, 'DENY- NONCOMP APP PROCESSING', **on the 30th day** following the application date. The F200 notice informs the household that it must report all changes in its circumstances since the application was received by the OPA. If the household is interviewed, submits the required verification, and is determined eligible in the second 30-day period, the benefit amount is prorated from the date of the interview.

#### **HOUSEHOLD- CAUSED PROCESSING DELAYS**

If the household has not completed all of the application processing requirements within 30 days following the date of application, the OPA Case Manager must determine if the delay was caused by the household or the agency. The following must have occurred before the OPA Case Manager can determine if the household caused the delay:

1. If the application is incomplete, the OPA Case Manager must have offered or attempted to offer the household assistance with completing the application.
2. If the 'Food Stamp Program Work Registration Understanding and Agreement' form, (HCS-543A), is not signed, the OPA Case Manager must have informed the household of the requirement to have one household member sign the form and given at least 10 days to provide the form.

**NOTE:** Not all households are required to have a household member sign the form (FS 700).

3. If required verification is not provided, the OPA Case Manager must have:
  - a. Provided the household with a TEAMS notice listing all of the required verification needed to process the application and allowed the household at least 10 days to provide the verification.

- b. Offered to assist the household in obtaining required verification.
- 4. If a household member or an authorized representative did not appear for the initial scheduled interview, the OPA Case Manager must have sent the household the F033 notice, 'RESCHED.- MISSED INT. INTER.', no later than the day after the interview was scheduled informing the household of its responsibility to reschedule the interview within 30 days from the application date.

#### **AGENCY-CAUSED PROCESSING DELAYS**

When the OPA has determined the cause for the delay in processing the application was agency-caused, the OPA must take immediate corrective action. The OPA Case Manager must send the household the F300 notice, 'PENDING ADMINISTRATIVE DELAY', by the 30th day following the application date informing the household that its application is pending. The OPA must notify the household of any action it must take to complete the application process. If the household is found eligible during the second 30-day period, benefits are retroactive to the month of application. If the household is found to be ineligible, the OPA Case Manager denies the case and sends the household the appropriate denial notice.

#### **DELAYS BEYOND 60 DAYS**



If the processing delay is due to the OPA Case Manager not completing the application process by the end of the second 30-day period, the OPA must continue to process the application until an eligibility determination is reached. If the household is determined eligible and the OPA was responsible for the delay in the initial 30 days, the household receives benefits retroactive to the month of application. If the household was responsible for the delay in the initial 30 days and is subsequently determined eligible in the second 30-day period, the benefit amount is prorated from the date the household provides the requested information and/or verification.

If the household is at fault for not completing the application process by the end of the second 30-day period, the application is denied. The household is required to file a new application.

#### **VOLUNTARY WITHDRAWAL**

The household may voluntarily withdraw its application prior to the the eligibility determination. Voluntary withdrawal means the household contacts the OPA on its own initiative either orally or in writing and requests the OPA stop processing the application. The OPA Case Manager must document in case notes the reason for the withdrawal if it is known. The OPA Case Manager must send the household the X260 notice, 'APPLICATION WITHDRAWN', informing the household of its right to reapply at any time following the withdrawal. **The application form is retained by the OPA.**

#### **REFUSAL TO**

Refusal to cooperate means the household is able to cooperate but



**COOPERATE**

clearly demonstrates orally or in writing it will not take required steps to complete the application process.

The OPA Case Manager must provide the household with reasonable assistance with completing the application or obtaining verification before denying the application for refusal to cooperate. If there is any question as to whether the household has merely failed to cooperate as opposed to refused to cooperate, the household must not be denied unless it is clear the household is refusing to cooperate or the time limits have expired for application processing. If a household clearly demonstrates refusal to cooperate orally or in writing, the OPA Case Manager must immediately deny the application and thoroughly document in case notes the household's refusal to cooperate with the application process.

**Example:** In order to deny eligibility for the refusal to appear for an interview or provide verification, the applicant must clearly refuse orally or in writing and not merely fail to appear for the interview or fail to provide the specific verification needed to determine eligibility.

The household may reapply (FS 104-4) but cannot be determined eligible until it cooperates fully with the application process. A household is not determined ineligible when someone outside the household fails to cooperate with a request for verification. Individuals who are required filing unit members are **not** considered outside the household simply due to not being in the assistance unit such as disqualified individuals coded 'DQ', 'DF', or 'DS'.

**PROGRAM COMPLIANCE/NON-COOPERATION**

If a household's food stamp case is denied or closed for refusal to cooperate with a Program Compliance (PC) review or a Federal Quality Control (FQC) review, the household may reapply for food stamp benefits but shall not be determined eligible until it cooperates with the PC review or FQC review. When unsure of the status of the noncompliance, the OPA Case Manager contacts the Program Compliance Unit to confirm the status of the household's cooperation or non-cooperation with the review of the case.

If a household reapplies for food stamp benefits during the disqualification period, the household has 30 days following the date of application to cooperate with the PC review. If the household cooperates with the PC review within 30 days following the date of application, benefits are determined from the date of application.

**State Quality Control (Program Compliance):** When a household's food stamp case is closed for refusal to cooperate with a PC review and the household reapplies for food stamp benefits 95 days after the end of

the annual PC review period, the application is processed as a new application because the disqualification ended. The household is no longer required to cooperate with the PC review.

The annual PC review period is October 1st through September 30th and 95 days after the end of the period is January 3rd.

**Example:** On June 8th the household refuses to comply with a PC review for the Food Stamp Program. The case is closed effective June 30th.

On August 1st the household reapplies for food stamp benefits but still refuses to cooperate with the PC review. The application is denied.

On January 4th the household reapplies for food stamp benefits and still refuses to cooperate with the PC review. The household does not have to cooperate with the PC review because the household reapplied 95 days from the end of the annual PC review period. The household must provide all required verifications to meet eligibility requirements for the January 4th application.

**Federal Quality Control (FQC):** When a household's food stamp case is closed for refusal to cooperate with the FQC review, and the household reapplies for food stamp benefits seven months after the end of the annual QC review period, the application is processed as a new application because the disqualification ended. The household is no longer required to cooperate with the FQC review.

The annual QC review period is October 1st through September 30th and seven months after the end of period is April 1st.

**Example:** On June 8th the household refuses to comply with FQC review. The case is closed effective June 30th.

On August 1st the household reapplies for food stamp benefits but still refuses to cooperate with the FQC review. The application is denied.

On April 1st the household reapplies for food stamp benefits and still refuses to cooperate with the FQC review. The household does not have to cooperate with the FQC review because the household reapplied seven months from the end of the annual QC review period. The household must provide all required verifications to process the April 1st application.

Section: APPLICATION PROCESSING

Subject: Application Approval or Denial

TP

Department of Public Health  
and Human Services

Section:  
APPLICATION PROCESSING

FOOD STAMP PROGRAM

Subject:  
Re-application/Revert to Open

**Supersedes:** FS 104-4 (04/01/04)

**≥References:** 7 CFR 273.10, 7 CFR 273.2

GENERAL RULE -- When an individual reapplies for food stamp benefits after a break in participation of any length of time, benefits are prorated from the date of the re-application. The exception is: migrant and seasonal farm worker households who receive a full month's benefits if they reapply after a break in participation of less than 30 days.

**RE-APPLICATION  
WITHIN 30 DAYS  
OF ORIGINAL  
APPLICATION**

The eligibility determination for denying the original application before the 30th day must be documented in case notes, and the appropriate denial notice sent to the household.

The re-application is registered using TEAMS quick registration process (TEAMS User's Guide).

A new application must be filed if a household reapplies due to a change in circumstances within 30 days of the original application being denied.

**≥**

The original application that is less than 30 days old may be used as a new application. A new interview is required, and the information on the application is updated at the interview. The application must be date-stamped with the date the application is re-signed by the household. If determined eligible, benefits are prorated from that date. The application processing time frame begins with the date the application is re-signed by the household and date-stamped with that date.

**NOTE:** If an application is denied on the 30th day due to a household caused delay, the OPA Case Manager must follow the denial of application procedures (FS 104-1).

**REVERTING A  
CASE TO OPEN**

A food stamp case is only reverted to open when:

1. The case was closed or denied in error;
2. The household complies with the eligibility requirement causing closure before the effective date of the closure; or,

**NOTE:** If the household complies with the eligibility requirement causing closure after the effective date of closure, it must reapply.

3. The household requests continued assistance pending a Fair Hearing as long as it does not extend beyond the recertification date. A recertification must take place even if the case is pending a Fair Hearing.

TP

o O o

Department of Public Health  
and Human Services

Section:  
APPLICATION PROCESSING

FOOD STAMP PROGRAM

Subject:  
Expedited Services

**Supersedes:** FS 105-1 (04/01/05)

**References:** 7 CFR 273.2, 7 CFR 273.15, 7 CFR 274.2

GENERAL RULE -- The intent of expedited services is to provide food stamp benefits within **seven calendar days** from the date of application to eligible households in immediate need. The seven calendar days for expedited processing include weekends and holidays and do not lengthen time frames to process expedited benefits.

The expedited period is the period of time benefits are issued.

#### **FAIR HEARING REQUEST**

When an individual requests a fair hearing due to the denial of expedited services, an 'agency conference' is scheduled within two working days unless the household requests the conference be scheduled later (FS 1506-1).

#### **DISCOVERY DATE**

The discovery date is the date an application is found eligible for expedited processing. The goal is to have the discovery date the same as the date of application. When the date of application differs from the discovery date, the seven-calendar day period for expedited processing begins on the date of discovery. The OPA Case Manager must document in case notes the reason for the discrepancy when the date of the application and the discovery date differ.

#### **EXPEDITED PROCESSING CRITERIA**

All applications must be screened for expedited processing immediately upon receipt in the Office of Public Assistance (OPA) when the applicant requests food stamp benefits.

Households meeting the following criteria are eligible for expedited processing:

1. Have less than \$150 in gross monthly income **and** \$100 or less in liquid resources; OR,
2. Are destitute migrant or seasonal farm worker households with liquid resources not exceeding \$100 (FS 105-2); OR,
3. The household's combined gross monthly income and liquid resources are less than its monthly rent or mortgage and the appropriate mandatory utility allowance.

≥

≥

**NOTE:** When the application is submitted the screener must evaluate the information provided on the application and/or question the applicant to determine the appropriate mandatory utility allowance (FS 602-4) for expedited processing.

## EXPEDITED SCREENING

At the initial inquiry all individuals must be informed about expedited processing eligibility and the right to protect the date of application. The application must be screened for expedited processing even if only the first page of the application is submitted.

If there is a request for food stamps and the expedited screening section of the application is not completed, the screener must evaluate the completed application (if available) to the best of their ability based on the information provided and knowledge of policy. If the screener knows income listed on the application is excluded according to Food Stamp Program policy, the income is excluded in the screening process. Eligibility is not generally determined at the time of the screening, and it is not required for the screener to go beyond the screening box to decide whether income is countable or excluded.

**NOTE:** *Anticipated* income (e.g., TANF, unemployment income, etc.) *that has not been approved or authorized is not included* when screening an application for expedited processing.

An application may appear eligible for expedited processing but during the interview and after the information is entered on TEAMS, it is determined the application does not meet expedited processing guidelines. The application is subject to regular processing guidelines that is issuance within 30 days of the date of application and all verification provided.

## POSTPONED INTERVIEW

Expedited processing cannot be delayed due to the inability to interview the applicant. An interview must be completed to continue benefits past the expedited period. The interview is postponed if all of the following criteria listed below are met:

1. The **application is completed and signed; and,**

**NOTE:** If the application is incomplete but it appears the household may be eligible for expedited processing, the OPA staff should attempt to contact the household and complete the application. An application is complete when all

≥

questions **with 'F'** on Application for Assistance (DPHHS-HCS-250) or all questions on the Food Stamp Program Application (DPHHS-HCS-252) are answered and the person making application or an authorized representative signs the application. **Only one signature on the front or back page is required on the application regardless of whether or not the case is entitled to expedited processing.**

2. The applicant cannot be reached in a timely manner to schedule an interview or is unable to attend an interview the day the application is submitted; **and,**
3. Verification of **identity** (FS 103-5) is readily available in the OPA. Hard Copy ('HC') verification code on RECI **is** sufficient and is 'readily' available to the OPA.

#### POSTPONED VERIFICATION

Expedited processing allows for **postponing** verification for the expedited period.

**EXCEPTION:** The applicant's (e.g., the person making application) identity must be verified. A picture is not required to verify identity (FS 103-5).

The postponed verification must be provided by the last day of the month that benefits were issued (e.g., the date of application is July 16th, so verification must be provided no later than August 31st).

≥

When the last day to provide verification falls on a weekend or holiday, the household has through the following business day to provide the verification.

#### APPLIES ON OR BEFORE THE 15TH OF THE MONTH

When a household who is eligible for expedited processing applies ON or BEFORE the 15th of the month and verification is postponed, the OPA Case Manager must send the household the F121, EXPEDITED FS-POSTPONED, notice. The notice informs the household of the first month's benefit amount. The notice also lists the required postponed verification, the date the verification is due (end of the application month), and the date and time of the scheduled interview (if applicable) to continue benefits after the expedited period.

If postponed verification is received for households applying on or before the 15th of the month, the second month's benefit must be issued within seven working days from receiving the verification or by the first working day of the second month, whichever is later. Timely notice of adverse action is not required.



**APPLIES ON OR  
AFTER THE 16TH  
OF THE MONTH**

Households applying ON or AFTER the 16th of the month and eligible for expedited processing **must** have the first month's prorated benefits AND the second month's full benefits issued on the same day they are determined eligible. Neither month's benefits can be held for an interview nor verification except for verification of the identity of the person making the application.

When a household that is eligible for expedited processing applies on or after the 16th of the month and verification is postponed, the F120, EXPEDITED FS-POSTPONED VERIFICATION-2 MONTHS, notice is sent to the household by the OPA Case Manager. The notice informs the household of the first month's prorated benefit amount **AND** the second month's full benefit amount. The notice lists the required postponed verification, the date the verification is due (end of the month of the expedited period), and the date and time of the scheduled interview (if applicable) to continue benefits after the expedited period.

When postponed verification is received for households applying on or after the 16th of the month, the third month's benefit must be issued within seven working days from receiving the verification or by the first working day of the third month, whichever is later. Timely notice of adverse action is not required.

**PROCESSING  
EXPEDITED**

When an application is screened and determined eligible for expedited processing, the OPA Case Manager determines eligibility after all information on the completed application is entered on TEAMS. Benefits must be authorized on the same day as the date of application; however, when circumstances arise that *cannot be controlled by the OPA*, benefits must be authorized as soon as possible (e.g., TEAMS is not available) to ensure benefits are received within seven calendar days.

**Issuance of benefits must not be delayed to obtain any information except the identity of the person making application.**

The OPA Case Manager uses all readily available information/ documentation to verify the household's residency, income, resources, and information provided on the application by the household. System interfaces such as MISTICS (Department of Labor and Industry), P-Justice (Department of Justice/Motor Vehicles), SEARCHS (Child Support Enforcement Division) are reviewed and used as verification when applicable.

A household is not required to provide a Social Security number (SSN) for expedited processing; however, a SSN must be provided or verified

a SSN was applied for before benefits can continue beyond the expedited period for each household member.

The OPA Case Manager requests the applicant register for work by signing the affidavit for work registration (Form HCS 543-A) unless all household members are work registration exempt. The OPA Case Manager attempts to verify questionable work registration exemptions for all household members but verification must be postponed if the expedited processing time cannot be met.

A household must be eligible for benefits in the month of application to be eligible for expedited processing.

**EXCEPTION:** When the household is not eligible for benefits for the initial month of application but is eligible for expedited processing the following month, the household must be given an opportunity to participate within seven calendar days from the date of the application or by the first working day of the second month, whichever is later. The application is denied the first month and processed the second month as expedited.

If a household is eligible for the program but is not eligible for expedited processing in the month it applies, the application must be processed under regular procedures within 30 days from the date of the initial application. The application is processed under regular procedures even if the household has zero income in the following month. The first and second months are approved under regular application processing.

All information on the application is entered on TEAMS before eligibility is determined. When a household lists unverified information on the application, it is entered on TEAMS with client statement verification code 'CS'.

The application can be denied if the household provides information by client statement or other verification causing ineligibility. The application is processed under regular processing requirements (30 day time frame and all verification is required) if information is discovered when completing the eligibility determination that results in ineligibility for expedited processing.

**Example:** During the interview, the applicant states her 20-year-old son is also living with her, and they purchase and prepare food together. Children under age 22 are

required in the filing unit. His income causes the case to be ineligible for expedited processing. The application is pended until all verifications are provided using regular application processing time frames.

**CHANGES  
REPORTED AFTER  
THE INTERVIEW  
BUT BEFORE THE  
NOTICE OF  
ELIGIBILITY**

A household is required to report all changes related to its eligibility at the interview. A household is required to report changes according to its reporting requirements after receiving the notice of eligibility (approval notice) for ongoing benefits.

If a change is reported **after the interview but before the notice of eligibility (approval notice) for ongoing benefits**, the OPA Case Manager must act on the change within 10 days of the change being reported regardless of the household's reporting requirements. The change must be included in the eligibility determination for ongoing benefits. Benefits must not be delayed (held or pended) beyond the last day of the expedited period waiting for verification.

**EXCEPTION:** Resources available at the time the household is interviewed are used to make the resource determination. Changes in resources that occur or are reported after the interview but before the notice of eligibility (approval notice) for ongoing benefits is sent to the household are disregarded for the expedited period. The changes must be considered in determining resource eligibility for ongoing benefits.

If there are 10 days before the last day of the expedited period to verify a change, eligibility is not determined until the verification is received. The change is included in the eligibility determination for ongoing benefits.

If there are not 10 days before the last day of the expedited period to verify a change, eligibility is determined for ongoing benefits based on information requested at the interview. The OPA Case Manager must request verification be provided within 10 days of sending the notice of a change that is reported after the interview but before the notice of eligibility for ongoing benefits.

If the verification is received before eligibility is determined and the notice of eligibility for ongoing benefits is sent to the household, the change is included in the eligibility determination for ongoing benefits.

If the verification is received after eligibility is determined and the notice of eligibility is sent for ongoing benefits, the change is included

in the eligibility determination for the month after receipt of the verification following notice of adverse action procedures.

**Example:** The household applied for food stamps on June 17th and received expedited services. Postponed wage verification from Wal-Mart is due July 31st. The household submits the verification of Wal-Mart wages July 30th and at that time reports a new part time job at Subway.

August benefits must be issued within seven working days from receiving the Wal-Mart wage information. The OPA Case Manager must send a 10-day request for information notice to verify the income for the new job at Subway. Wage verification from Subway is due August 16th and is received August 16th. The OPA Case Manager acts on the verification August 25th. Timely notice for adverse action cannot be given to the household to decrease September benefits. The Subway income is used for October and timely notice of decreased benefits must be sent to the household.

If the wage information was received August 9th, the Subway income is used to decrease September benefits and timely notice of decreased benefits must be sent to the household.

#### **NOTICES FOR EXPEDITED PROCESSING**

If the household is interviewed and no verification/information is needed, the OPA Case Manager must send the household the approval and the appropriate reporting requirement notices on the same day expedited or continued benefits are authorized.

If the interview is postponed or more information is needed after the interview to determine continued eligibility and the benefit amount, the OPA Case Manager must send a postponed verification notice (F120 or F121) to the household.

The notice informs the household of required verification needed such as income, an interview, etc. or the case will close without further notice. The notice also informs the household of items requested such as rent, utilities, child support obligation, etc. but the case will not close if the items are not submitted; however, if expenses are not verified, they cannot be allowed as deductions.

The household is not required to report any changes after the interview until receiving the notice of eligibility (approval notice). Therefore, the reporting requirement notice must not be sent prior to the approval notice for continued benefits. If sending a postponed verification notice

to a six month reporting household, the OPA Case Manager must delete the system-generated F011, '6MR Reporting Requirements', notice. If the postponed verification is submitted before the end of the expedited period, the approval **F101** and the appropriate reporting requirement notices are sent to the household by the OPA Case Manager on the same day continued benefits are authorized. The household is required to report changes according to its reporting requirements after receiving the notice of eligibility (approval notice).

## REPEAT EXPEDITED APPLICATIONS

There is no limit to the number of times a household may be eligible for expedited processing. The following criteria is required before approval for subsequent expedited services:

1. All *postponed* verification requested during the previous expedited processing must be received; **OR**,

**NOTE:** If the household is unable to obtain the information/verification due to no fault of their own, expedited benefits are approved and verification is not postponed for continued benefits. The OPA Case Manager must document in case notes why the information cannot be obtained.

**Example:** John was issued expedited food stamps for January 2004. The case closed January 31st, 2004 due to failure to provide *postponed* verification of a job ending. He reapplies in October 2005 and meets expedited criteria.

The household and OPA Case Manager are not able to obtain the information because the employer is no longer in business.

Expedited benefits are approved and verification for the job ending is not postponed for continued benefits.

2. The household was certified under normal processing standards since the last expedited certification.

**Example:** A household applied for food stamps on September 16th and was eligible for expedited processing. The case was certified for September and October with postponed verification that was due on October 31st. Verification was not

provided, and effective November 1st the case was closed.

In December the household applies again. It is not entitled to expedited service because the household has \$500 in liquid resources. The household is not required to provide the postponed expedited verification from the September application. The household completes the application process and is certified for December through November. They do not reapply at recertification.

In August the household applies again and is eligible for expedited processing. The household may be expedited because it has been certified under normal processing since the last expedited certification. The fact that postponed verification was never received for the certification in September is not relevant any longer.

#### **RESIDENTS OF SHELTERS OR PUBLIC INSTITUTIONS**

When a resident of a public institution applies for SSI and food stamp benefits and is eligible for expedited processing before their release from the institution, the filing date of the application is the date released from the institution. Benefits must be available within seven calendar days from the date of release from the institution.

Residents of shelters for battered adults and children who are eligible for expedited processing must receive food stamp benefits within seven calendar days of the application being filed.

#### **HOME BOUND APPLICANTS**

If the household files an incomplete application and is being interviewed at **home**, the application must be completed during the home visit. If a phone interview is conducted, the application must be completed by the OPA Case Manager during the interview and mailed the same day to the household for its signature. Benefits are not authorized until the signed application is returned. Document in case notes explaining good cause for delayed expedited processing.

TP

Department of Public Health  
and Human Services

Section:  
APPLICATION PROCESSING

FAMILIES ACHIEVING INDEPENDENCE IN  
MONTANA

Subject:  
Destitute Migrant/Seasonal Farm  
Workers

**Supersedes:** FMFS 105-2 (09/01/98)

**References:** 7 CFR 273.10.; 7 CFR 273.11 and Public Law 104-193 section 827

**GENERAL RULE** -- Migrant or seasonal farm workers who meet the criteria of a destitute household are entitled to expedited services even though they may receive income at some other time in the month of application.

**NOTE:** Not all migrant or seasonal farm workers will meet the destitute criteria and those households will be processed under normal procedures. The destitute criteria does not apply to households other than migrant or seasonal FARM WORKERS.

## **DEFINITION OF DESTITUTE**

A migrant or seasonal farm worker is destitute if :

1. **TERMINATED INCOME**--The only income for the month of application was received prior to the date of application and was from a source which has been terminated. This would include:
  - a. Income normally received on a monthly (or more frequent) basis which will not be received again from the same source during the balance of the month of application or the following month.
  - b. Income normally received less often than monthly if it will not be received in the month in which the next payment would normally be received.

**EXAMPLE:** Income is received on a quarterly basis, i.e., January, April, July, October. Household applies in January. Worker would need to determine whether or not the income is anticipated to be received in April, to determine whether or not the income had terminated.

2. **NEW SOURCE OF INCOME**--The only income to be received in the month of application is from a new source and is:
  - a. Less than \$25; and

Section: APPLICATION PROCESSING

Subject:

Destitute Migrant/Seasonal Farm  
Workers

- b. The income will not be received by the tenth (10th) calendar day after the date of application.

Income to be received from a new source would include:

- a. Income received on a monthly or more frequent basis if no more than \$25 has been received from that source within thirty (30) days prior to the date of application.

→

**NOTE:** Travel advances are not to be considered when determining whether or not a household is destitute or income is from a new source. (For determining allotment amount, see travel advance section, page 3).

- b. Income received less often than monthly if no more than \$25 was received in the last normal interval between payments.

→

- 3. COMBINATION INCOME--The household may have received both income from a terminated source prior to the date of application and income from a new source after the date of application and be considered destitute if:

- a. They receive no other income in the month of application; and
- b. Income from the new source is less than \$25 and will not be received by the tenth (10th) calendar day after application.

→

#### CALCULATE ELIGIBILITY

Destitute households have their eligibility and benefits calculated for the month of application by considering only income which is received between the first of the month and the date of application. Any income from a new source, that is anticipated after the date of application, is disregarded.

Consider the particular grower as the source of income for any migrant who is working.

The above procedures will apply at initial certification and redetermination (but only for the first month after certification and redetermination).

→

#### TRAVEL



Section: APPLICATION PROCESSING

Subject:

Destitute Migrant/Seasonal Farm  
Workers**ADVANCES**

Sometimes money is received for the expenses of traveling to a new location for employment. These travel advances may be considered income if:

1. The advance of wages will be subtracted from wages later earned by the household; and
2. The travel advance is, by written contract, an advance of wages.

A written contract is defined as:

- a. a written agreement signed by both parties; or
- b. a written statement from the employer addressed to the employee at the time of or prior to receipt of the advance stating the advance will be deducted from earnings.

Travel advances that do not meet the definition of income above are to be excluded as a reimbursement.

Travel advances, whether income or a reimbursement, are not to be considered when determining whether or not a household is destitute or whether or not subsequent payments from the employer are from a new source of income.

**EXAMPLE:** A migrant worker applies for food stamps on June 10th. He received a travel advance, per written contract indicating it was an advance of wages, from his employer on June 1st of \$50. He expects his next pay to be received on June 30th. The household is considered destitute (he has income from a new source and he will not have income of \$25 or more from this new source before the 10th calendar day after application, June 20th). The \$50 travel advance is counted as income, but the June 30th income would be disregarded. (Eligibility for destitute households is determined for month of application by only looking at income received between the 1st of the month and date of application. Any income, from a new source, which is anticipated after the date of application is disregarded.)

TEAMS case notes must be documented.

**EXCLUDED  
INCOME**

Exclude as income any emergency Public Assistance (PA), or emergency

Section: APPLICATION PROCESSING

Subject:

Destitute Migrant/Seasonal Farm  
Workers

General Assistance (GA) vendor payments made on behalf of the migrant or seasonal farm worker household while the household is in the job stream. This may include, but is not limited to, vendor payments for housing or transportation.

**ALLOTMENTS  
(BENEFITS)**

Migrant and seasonal FARM WORKERS will receive the full allotment for the month of application when any member of the household has received food stamps within thirty (30) days prior to the date of application (no proration).

DB

o O o

Department of Public Health  
and Human Services

Section:  
HOUSEHOLD COMPOSITION

FOOD STAMP PROGRAM

Subject:  
Household Composition

**Supersedes:** FS 201-1 (04/01/07)

**References:** 7 CFR 273.1; 7 CFR 281.1(c)

GENERAL RULE -- The OPA Case Manager determines the required filing and assistance unit members based on the food stamp household's living situation.

## FOOD STAMP HOUSEHOLDS

There are a number of living situations that determine the food stamp household composition.

1. An individual or family living alone or in a:
  - a. housing facility federally subsidized for the elderly;
 

**NOTE:** The individual does not have to be elderly. The requirement is to be a resident of federally subsidized housing for the elderly.
  - b. chemical dependency treatment center (FS 201-7);
  - c. licensed group home that serves no more than 16 residents receiving blind or disability benefits (FS 201-6);
 

**NOTE:** Blind or disability benefits as defined in FS 0-4.
  - d. shelter for battered individuals and children (FS 201-8); or,
  - e. public or private nonprofit shelter for homeless people.
 

**NOTE:** Residents of a shelter serving meals for the homeless are not considered residents of an institution as long as the shelter is a nonprofit agency.

Eligibility is not dependent on the shelter being approved by Food and Nutrition Service (FNS).
2. An individual or family living with others but purchases and prepares food separately.

3. A group of individuals living together and purchase and prepare food together.
4. An individual age 60 years old or older (and spouse) living with others may be a separate household if:
  - a. the individual (or couple) is unable to prepare meals because of a permanent disability (as defined by the Social Security Act) or a severe permanent disability not related to a disease; **AND**,
  - b. the individual (or couple) lives with others whose gross income does not exceed 165% of the poverty level for its household size (FS 001).

**NOTE:** The elderly/disabled individual's (and spouse) income is excluded when making the income determination.

**Example:** Elsie and her husband, Sam, live with a younger couple, Jane and Bill. Elsie and Sam are over age 60 and are permanently disabled **and** unable to prepare meals. Jane prepares all meals for Elsie and Sam. Jane and Bill's income is calculated off TEAMS and must be below 165% of the poverty level for a household of two (FS 001). If Jane and Bill's income is below 165% of the poverty level, Elsie and Sam may be a separate household.

## INELIGIBLE HOUSEHOLDS

The following households are ineligible if:

1. Any required filing unit member is certified to receive commodities under the Food Distribution Program on Indian Reservations;
2. Any required filing unit member is on strike;

**EXCEPTION:** If the household was eligible for food stamp benefits the day prior to the strike and is otherwise eligible at the time of application, the household may be eligible for benefits. The benefit is not increased because of the decreased income of the striking member. Compare the striking member's income before the strike to the striker's current income. The

higher of the two incomes is countable income (FS 501-1).

3. All members are disqualified; or,
4. The household fails to meet financial or non-financial eligibility requirements.

### EXCLUDED HOUSEHOLD MEMBERS

Individuals excluded from the filing unit; code 'OU' on FS SEPA screen.

1. Boarders paying an adequate amount (thrifty food plan) for their meals unless the household requests they be included in the assistance unit. Boarders' income and resources are countable when they are included in the assistance unit.

Boarder status cannot be granted to spouses or to parents and children under the age of 22 years residing in the same household (FS 201-4 and FS 503-1).

Boarder status cannot be granted to individuals under age 18 under the parental control of an adult household member.

2. Roomers are individuals who receive lodging but not meals for compensation from a household (FS 501-1 and FS 503-1).
3. Live-in attendants whether or not they purchase and prepare their food separately from the household they provide medical, housekeeping, childcare or similar personal services.

**NOTE:** Live-in attendants may receive benefits separately on their own case. There is the possibility the household who they provide services for receives benefits on one case, and the live-in attendant receives benefits on another case even though they **do not** purchase and prepare food separately.

4. Ineligible students (FS 201-5).
5. Other individual(s) or families living with the household but purchase and prepare food separately.
6. Individuals residing in an institution providing more than half of their meals each day as part of the institution's normal services. This includes students living on or off campus, who buy a meal ticket from the institution when the amount of purchased meal ticket equals more than half of their meals each day.

Section: HOUSEHOLD COMPOSITION

Subject: Household Composition

It does not matter if the purchase of the meal ticket is required or by choice. If a student eats or purchases more than 50 percent of his/her meals on campus, he/she is considered a resident of an institution and therefore, not eligible for participation in the Food Stamp Program. The OPA Case Manager must discuss with the student the number of meals the student anticipates eating/purchasing on campus and determine whether or not the numbers of meals purchased exceeds 50 percent of three meals daily in any given month.

7. Foster children the household chooses not to include in the food stamp assistance unit (FS 201-3).
8. Individuals detained in federal, state or local penal correctional facilities or other detention institutions for the majority of the month.

**NOTE:** Individuals on house arrest or living in the home under probation or parole are eligible as long as they meet all financial and non-financial requirements.

#### MAJORITY OF THE MONTH

An individual is a household member when the individual is residing or is anticipated to reside in the household for the majority of the month.

**EXCEPTION:** Spouses are included in the household when the spouse is in the household for any part of the month.

#### REQUIRED HOUSEHOLD MEMBERS (FILING UNIT)

Individuals required to be included in the filing unit; code 'IN' on FS SEPA.

1. All household members who purchase and prepare food together unless specifically excluded based on policy on Pages 2 - 4 of this manual section.
2. The following must be **CONSIDERED ONE HOUSEHOLD** even if they purchase food and prepare food separately unless ineligible per policy on Pages 6 - 9 of this manual section.
  - a. Spouses residing together unless otherwise excluded (e.g., ineligible student, probation/parole violator, etc.). Spouses are included in the household when the spouse is in the household for any part of the month.

**Example:** Husband has a construction job taking him out of town during the week. He returns home on the weekends. He is required member of the household.

- b. Children under 22 years old living with their natural, adoptive or stepparents. Parents and children must be in one food stamp household even if the child under 22 years old has their own children or a spouse living with them.

**Example:** Joe is 55 years old and receives SSI. His 20 year old son, 23 year old daughter-in-law and two year old grandson live with him. They are all required to be one filing unit because the son is under 22 years old and living with his father. Joe's disability has no effect on separate household status.

Children living in more than one household during the month are considered a member of the household providing or is responsible to provide the majority of their meals in the month.

**Example:** Cindy has joint custody of her daughter, Emily. Emily's father picks her up from school at 3:30 p.m. on Fridays and returns her to Cindy's home Sunday at 8:00 p.m. Emily only eats dinner with her mother Monday through Thursday because the school provides both breakfast and lunch Monday-Friday. Emily is a required filing unit member in Cindy's food stamp case because Cindy is responsible to **provide** the majority of Emily's meals.

In joint custody cases when a child spends equal time with both parents, the OPA Case Manager must discuss its options with the household and allow Mom and Dad to choose what is more advantageous to them. They could alternate having children in one or the other's household monthly, every other month, quarterly, every six months, or yearly. If only one parent is applying for food stamp benefits, there is not an issue of alternating children in one or the other's household.

**Example:** If the divorce decree has a parenting plan, and stipulates that for the purpose of all State and Federal statutes that require designation of custody, the mom is designated as the parent when the children reside the majority of time in odd years. Dad is considered parent in even years. Even though the decree says the children are considered as residing the majority of the time with mom in odd years, the mom and dad continue to equally share physical custody. The OPA Case Manager must discuss its options with the household and allow Mom and Dad to choose what is more advantageous to them.

- c. Minors less than 18 years of age (excluding foster children) living under the parental control of an adult household member (FS 201-2).
- d. Boarders not paying an adequate amount for their food (FS 204-1). The thrifty food plan is used to define 'adequate amount'.

**REQUIRED  
MEMBERS  
INELIGIBLE FOR  
FOOD STAMPS**

Disqualified individuals required in the filing unit but are not part of the assistance unit.

- 1. Individuals who fraudulently misrepresented identity or residence in order to receive multiple benefits at the same time; code 'DF' on the FS SEPA screen.

These individuals are ineligible to participate in the Food Stamp Program for 10 years for the first and second offenses, and permanently for the third offense.

- 2. Individuals convicted of trafficking food stamp benefits of \$500 or more; code 'DF' on FS SEPA.

These individuals are permanently disqualified from receiving food stamp benefits.

- 3. A fleeing fugitive felon includes an individual who is:
  - a. fleeing to avoid prosecution of a felony crime; code 'DQ' on FS SEPA; or,



- b. fleeing to avoid custody or confinement after a conviction for a crime or attempt to commit a crime. The crime must be a felony under the law from where the individual is fleeing; code 'DQ' on FS SEPA.

**NOTE:** An individual must have knowledge a warrant has been issued for his/her arrest to be considered 'fleeing'. If the OPA Case Manager determines during the application or recertification process an individual has a warrant out for their arrest, the OPA Case Manager must verify with the individual whether or not they have knowledge of the warrant.

**NOTE:** FNS in an agreement with the Office of Inspector General (OIG) established a program, Operation Talon, to share information regarding food stamp recipients in apprehending fugitive felons. A report is generated yearly each December that lists all matches of food stamp recipients with the federal list of fugitive felons.

OPA Case Managers are required to set an alert for the following month to take the appropriate negative action, establish an overpayment, and pursue an intentional program violation (if appropriate). No action should be taken in December to avoid alerting the felon that his or her whereabouts will be reported to law enforcement agencies. OPA Case Managers **should not** alert local authorities of the whereabouts of fugitive felons because a procedure has been developed to provide the information to the Office of Inspector General by Central Office staff.

4. Probation or parole violators of any age who violate a felony or misdemeanor condition of probation or parole imposed under federal or state law; code 'DQ' on FS SEPA.
5. Individuals convicted for felony possession, use, or distribution of illegal drugs after August 22, 1996; code 'DQ' on FS SEPA.

**NOTE:** Ineligibility under this provision is limited to convictions

based on behavior (possession, use, or distribution) that occurred after August 22, 1996.

**EXCEPTION:** The individual may be eligible to receive benefits if the individual is complying with the conditions of supervision or the sentence associated with the felony conviction has been discharged **and** if the person is actively participating in treatment, if required.

**NOTE:** The individual's probation/parole officer will be able to provide the information needed to determine the individual's status.

Form DPHHS-HCS-552, Request and Verification to Remove Disqualification for Benefits, is available to use as a tool to verify the individual's status. The form is not required. Other acceptable forms of verification is collateral contact with the probation/parole officer, written statement signed by probation/parole officer, court documentation verifying the sentence was discharged, etc.

**NOTE:** The household is only required to report a change in status at application and recertification.

6. Individuals found guilty of Intentional Program Violation (IPV) through the Administrative Disqualification Hearing process (FS 1505-1) or Prosecution for Fraud; code 'DF' on FS SEPA.

**NOTE:** If an individual is disqualified for a Food Stamp Program IPV, the Food Distribution Program on Indian Reservations (FDPIR) will honor the period of disqualification and will not certify these individuals for commodities. The Claims and Recoveries Unit send a monthly disqualification list to the FDPIR operators.

7. Individuals found guilty in federal, state or local court of trading food stamp benefits for controlled substances or vice-versa; code 'DF' on FS SEPA.

Section: HOUSEHOLD COMPOSITION

Subject: Household Composition

They are ineligible to participate in the Food Stamp Program for 24 months for the first offense and permanently for the second offense.

8. Individuals found guilty in federal, state or local court of being involved in the sale or trade of firearms, ammunition or explosives for food stamp benefits or vice-versa; code 'DF' on FS SEPA.

They are permanently disqualified from receiving food stamp benefits.

9. Aliens not meeting the definition of an eligible alien (FS 301-2); code 'DS' on FS SEPA.
10. Individuals choosing not to provide a Social Security number (FS 303-1); code 'DS' on FS SEPA.
11. Individuals disqualified due to work registration disqualification (FS 703-1); code 'DQ' on FS SEPA; or ABAWD months used (FS 803-1); code 'DS' and DQN RSN code 'IS' on FS SEPA.

All expenses must be coded against individuals with an 'IN', 'DS', 'DQ' or 'DF' participation code on FS SEPA for the expense to be counted as a deduction.

**VERIFICATION  
OF STATUS OF  
# 3, 4, 5, 7 AND 8:**

An adult household member may verbally or in writing, under penalty of perjury, declare the status for each household member.

**NOTE:** If no adult household members will sign the Self Declaration of Status section on the application or recertification form and will not verbally answer questions regarding eligibility status, the application is denied.



If there is a change in a household member's Self Declaration of Status, the household is required to report it at recertification. If the OPA Case Manager discovers during the certification period an individual may meet one of the statuses described, the household must be notified of the OPA's knowledge of the information and must be given the opportunity to dispute the information via a 10-day request for information notice. If the household does not respond, the case is closed for failing to provide information necessary to determine household composition and eligibility and/or level of benefits. The OPA Case Manager must provide the household timely notice of adverse action.

Section: HOUSEHOLD COMPOSITION

Subject: Household Composition

**NOTE:** Ineligibility under this provision is limited to convictions based on behavior (possession, use, or distribution) that occurred after August 22, 1996.

**NOTE:** **OPA Case Managers should not be seeking out information (e.g., initiating contact with law enforcement or parole officers, looking in newspapers, etc.) regarding drug felons or fleeing felons.**

An individual is disqualified as soon as the court enters a judgment even if a sentence will be imposed later or never imposed. If the judgment is guilty, the individual remains disqualified ('DQ') even if the sentence has been served. The status only changes if the conviction (FS 0-4), judgment, is expunged (removed from the individual's record) by court action.

**NOTE:** Individuals convicted for felony possession, use, or distribution of illegal drugs after August 22, 1996 may be eligible to receive benefits if the individual is complying with the conditions of supervision or the sentence associated with the felony conviction has been discharged **and** if the person is actively participating in treatment, if required.

**NOTE:** Ineligibility under this provision is limited to convictions based on behavior (possession, use, or distribution) that occurred after August 22, 1996.

If an individual was 'convicted' and through a court action the reference to the conviction was removed, the individual is no longer considered 'convicted' for food stamp purposes. The individual can reapply and be certified for food stamp benefits if otherwise eligible. A record is considered clear when there is no longer any mention of the conviction on the criminal record.

Any action taken against a minor in **youth court** cannot be considered a felony. A minor is only disqualified if treated as an adult and found guilty.

## CHART OF REQUIRED FILING UNIT MEMBERS

<u>LIVING SITUATION</u>	<u>HOUSEHOLD COMPOSITION</u>
-------------------------	------------------------------

<b><u>LIVING SITUATION</u></b>	<b><u>HOUSEHOLD COMPOSITION</u></b>
1. Parent(s) and child (under 22)	<p><b><u>Must be one household</u></b></p> <p>Parents and child under 22 are required in one household even if they purchase and prepare food separately.</p>
2. Parent(s) and child (22 or older)	<p>HH1: Parent and spouse</p> <p>HH2: Child</p> <p>This is only allowed if they purchase and prepare food separately.</p>
3. Parent(s) with their minor child and child 22 or older	<p>HH1: Parent(s) &amp; minor child</p> <p>HH2: Child over 22</p> <p>This is only allowed if they purchase and prepare food separately.</p>
4. Adult siblings	<p>HH1: Adult sibling</p> <p>HH2: Other adult sibling</p> <p>This is only allowed if they purchase and prepare food separately.</p>
5. Permanently disabled elderly individual unable to prepare meals living with his spouse, their minor child and others who prepare meals for the disabled/elderly individual.	<p>HH1: Permanently disabled elderly person, spouse and child</p> <p>HH2: Others in household</p> <p>This is only allowed if the "others" in household (except spouse and minor child) do not have income over 165% of poverty level for HH size.</p>
6. Adult and 17 year old unrelated friend who is not paying rent to the adult.	<p><b><u>Must be one household</u></b></p> <p>The 17 year old is financially dependent on the adult, therefore is under <u>parental control</u>.</p>
7. Grandparent (acting like a parent in all aspects), 17 year old granddaughter, and great-grandchild (child of 17-year old).	<p><b><u>Must be one household</u></b></p> <p>The 17 year old is dependent on her grandparent. Therefore, she is under parental control even though she has a child of her own.</p>

Section: HOUSEHOLD COMPOSITION

Subject: Household Composition

<u><b>LIVING SITUATION</b></u>	<u><b>HOUSEHOLD COMPOSITION</b></u>
8. Husband, wife and minor child. Husband committed and was convicted of a felony drug charge, after Aug. 22, 1996.	<p><b><u>Must be one household</u></b></p> <p>Code the wife and minor child 'IN' and code husband 'DQ' on FS SEPA. Policy requires his income and resources be counted even if they claim he is purchasing and preparing food separately.</p> <p><b>NOTE:</b> The husband may be eligible to receive benefits if he is complying with the conditions of supervision or the sentence associated with the felony conviction has been discharged and he is actively participating in treatment, if required.</p>
9. Grandmother, grandmother's boyfriend, child over 22 years old and her minor child. Grandparent and grandparent's boyfriend claim to purchase and prepare food separate from the rest of the household.	<p>HH1: Child 22 years old and her minor child</p> <p>HH2: Grandparent and boyfriend</p> <p>If grandparent and grandparent's boyfriend purchase and prepare separate from each other, they could also be separate households for a total of three food stamp households in one residence.</p>

**NOTE:** One household in a living situation may apply for food stamp benefits without the second household applying for food stamp benefits (e.g., in living situation 9 above, the child over 22 and their child may apply and grandparent and boyfriend need not apply).

TP

Department of Public Health  
and Human Services

Section:  
HOUSEHOLD COMPOSITION

FOOD STAMP PROGRAM

Subject:  
Parental Control

**Supersedes:** FS 201-2 (05/01/01)

**References:** 7 CFR 273.1(a) and (b)

**GENERAL RULE** -- Children under 22 years of age are automatically considered under parental control if living with a natural, adoptive or step-parent. Children under 18 years of age living with household members other than their natural, adoptive or step-parent must be evaluated for parental control before separate household status can be given unless state law defines such person as an adult (i.e., emancipated).

## **EMANCIPATION**

A child under age 18 years of age is considered emancipated if he/she is free from parental authority. An emancipated person has certain rights that minors normally do not have until they reach the age of majority, such as the right to live independently, conduct their own financial affairs, enter into valid contracts, and incur debts. Emancipation can be determined by a court.

**NOTE:** Under Montana law, marriage does **not** automatically result in emancipation. Montana law states that a person under 18 years of age who lives with his/her parents is under their parental control and is financially dependent on them so cannot be determined emancipated.

## **PARENTAL CONTROL**

An individual is considered to be under parental control if the individual under 18 years of age and lives with another household member **other than their natural, adoptive, or step-parent** and:

1. verification is received from a parent/guardian or conservator living outside the household stating their child (the minor individual) is dependent on the household member he/she is living with; or,
2. a member of the Food Stamp household states the minor individual is dependent on the household member he/ she is living with; or,
3. the OPA Case Manager determines the minor individual is dependent on the household member for financial support.

**EXCEPTION:** State law has defined the individual as an adult (i.e., emancipation).

**NOTE:** Parental control must be evaluated even when the individual is living with his or her spouse and/or child.

Section: HOUSEHOLD COMPOSITION

Subject: Parental Control

**EXAMPLE:** Sue, age 17, is married to Bob. They have one child in common. Sue and the child live with Bob's parents while he is incarcerated. She has no means of self-support and therefore is under parental control of Bob's parents. They must file as one household.

TP



Department of Public Health  
and Human Services

Section:  
HOUSEHOLD COMPOSITION

FAMILIES ACHIEVING  
INDEPENDENCE IN MONTANA

Subject:  
Foster Children/Adults

**Supersedes:** FS 201-3 (05/01/01)

**≥References:** 7 CFR 273.1(b)(4)

GENERAL RULE --When determining household composition, do not include foster care children/adults as members of the household unless the household chooses to include them.

### **INDIVIDUAL EXCLUDED**

If the household chooses to exclude a foster care individual, the foster care payment is excluded in determining the household's income, and the resources of the foster child/adult are excluded in determining the household's resources.

**NOTE:** Foster care individuals cannot participate in the Food Stamp Program independently from the household providing foster care services.

### **INDIVIDUAL INCLUDED**

If the household chooses to include a foster care individual, the foster care payment is countable unearned income in determining the household's income, and the resources of the foster child/adult are included in determining the household's resources.

TP

Department of Public Health  
and Human Services

Section:  
HOUSEHOLD COMPOSITION

FAMILIES ACHIEVING  
INDEPENDENCE IN MONTANA

Subject:  
Boarders

**Supersedes:** FM/FS 201-4 (02/01/00)

**References:** 7 CFR 273.1( c )

GENERAL RULE--Boarders are individuals to whom a household furnishes lodging and meals. Boarders cannot claim separate household status to receive Food Stamps on their own case.

≥ Boarders who are not paying a reasonable amount for shelter, are required filing unit members of the household providing the room and board. (See FMFS 201-1 (required HH members, filing unit.)

≥ Boarders who are paying a reasonable amount for shelter, can either be included or excluded from the filing unit of the household providing the room and board. If excluded, the boarder(s) still cannot receive food stamps on their own case.

#### **REASONABLE MONTHLY PAYMENT**

When the amount paid for meals can be distinguished from the amount paid for lodging, only the amount paid for meals is evaluated to determine if the payment is reasonable. If the amount paid for meals is inseparable from that paid for lodging, the total payment is evaluated. The payment for meals must be made in cash.

A reasonable monthly payment shall be one of the following:

1. More than two meals daily. Boarders whose board arrangement is for more than two meals a day shall pay an amount equal to or exceeding the maximum monthly food stamp allotment for the appropriate number of boarders; or
2. Two or fewer meals daily. Boarders whose board arrangement is for two meals or fewer each day shall pay an amount which equals or exceeds two-thirds of the maximum monthly food stamp allotment for the appropriate number of boarders.

#### **EXCLUDED FROM BOARDER STATUS**

The following are required filing unit members and cannot have boarder status:

1. A spouse of a member of the household.
  2. Children under 18 years of age, if under the parental control of an adult household member.
- ≥

3. Parents who reside with their natural, adopted, or step children if the child is under 22 years of age.
4. Children, under age 22, if residing with their parents.

## **BOARDING HOUSES**

Residents of commercial boarding houses are not eligible for food stamp for food stamp benefits. The proprietor's household may participate, separate and apart from the residents, if otherwise eligible.

A boarding house is defined as either of the following:

1. An establishment licensed as a commercial enterprise and offering meals and lodging for compensation. Or
2. In communities which have no licensing requirements, a commercial establishment offering meals and lodging for compensation with the intent to make a profit.

**NOTE:** The number of residents has no effect on whether the establishment is or is not a boarding house.

## **INCOME AND RESOURCES OF BOARDERS**

Do not count income and resources of a boarder to determine eligibility of a household unless the household chooses to include the boarder as a member. The amount of the payment that a boarder, who is not considered a member of the food stamp household, gives to the household for the boarder services is treated as self-employment income to the household. (503-2)

CWC

OoO

Department of Public Health  
and Human Services

Section:  
HOUSEHOLD COMPOSITION

FOOD STAMP PROGRAM

Subject:  
Student Status

**Supersedes:** FS 201-5 (04/01/06), Bulletin FS 045 (07/07/06)

**References:** 7 CFR 273.5(a), (b) and (c), 273.11(d), 273.9(c)(3)

**GENERAL RULE** -- An individual who is enrolled at least half time in an institution of higher education shall be ineligible to participate in the Food Stamp Program unless the individual qualifies for one of the exemptions listed in this section. This includes an individual enrolled in an institution of higher education and taking courses online through the Internet.

#### **INSTITUTION OF HIGHER EDUCATION**

An individual is considered enrolled in an institution of higher education if the individual is enrolled in a business, technical, trade, or vocational school that normally requires a high school diploma or equivalency certificate for enrollment in the curriculum or if the individual is enrolled in a regular curriculum at a college or university that offers degree programs regardless of whether a high school diploma is required.

Colleges or universities normally require diplomas or certificates but allow exceptions for some students who are not high school graduates to enroll in classes. These institutions are still considered institutions of higher education.

Individuals who met eligible student criteria during the regular school year and are expected to meet criteria in the fall, continue to be considered eligible students during school breaks, including summer, *if* the individual continues to meet student eligibility (e.g., employed, has a dependent, etc.).

**EXCEPTION:** Eligibility based on participation in a state or federally funded work study does not continue between terms when there is a break of a full month or longer unless the student is participating in a work study position during the break.

#### **MEALS ON CAMPUS**

If more than half of the student's meals per day are provided by the institution (e.g., meal ticket), he/she is not eligible to participate in the Food Stamp Program. This includes students living on or off campus who buy a meal ticket from the institution when the amount of the purchased meal ticket equals more than half of their meals each day. It does not matter if the purchase of the meal ticket is required or by choice. If a student eats or purchases more than 50 percent of his/her meals on campus, he/she is not eligible for participation in the Food Stamp Program.

The OPA Case Manager must discuss with the student the number of meals the student anticipates eating/purchasing on campus and determine whether or not the number of meals purchased exceeds 50 percent of the three meals daily in any given month.

## ELIGIBLE STUDENTS

The following students are **not** required to meet the special student eligibility criteria listed on Pages 3-5:

1. Under the age of 18 years old (through the month the individual turns 18 years old);
2. Age 50 or older (effective the month the individual turns 50);
3. Physically or mentally unfit;

**NOTE:** If mental or physical unfitness is claimed and the unfitness is not evident, verification may be required. Verification may consist of:

- a. receipt of temporary or permanent disability benefits issued by governmental or private sources; **or**,
- b. a statement from a physician or licensed or certified psychologist.

≥

**NOTE:** The OPA Case Manager should clearly solicit a statement from the source that indicates the individual is unable to work an average of 20 hours a week and the approximate length of time the individual will be unable to work an average of 20 hours a week. Restrictions on working do not mean the individual is unable to work.

4. Attending high school or working to obtain a GED;
5. Participating in an on-the-job training program where the employer pays the participant wages. The number of hours working is not a consideration.

A person is considered to be participating in an on-the-job training program only during the period of time the person is being trained by the employer.

**Example:** An individual is in a program that requires class attendance full-time at an institution of higher education for 10 weeks and subsequent training by an employer for an additional 10 weeks. Only the latter 10-week period is considered participation in an on-the-job training program. During the 10-week period he/she attends class he/she is considered a student and needs to meet eligible student criteria.

**NOTE:** Student teaching is part of a college curriculum and does not qualify as on-the-job training. Therefore, these students need to meet one of the seven criteria listed on Pages 3-5 of this manual section in order to be an eligible student.

6. Enrolled less than half-time (as defined by the institution); **or**,
7. Enrolled full-time, in schools or training programs that are not considered institutions of higher education.

Although these individuals do not need to meet student criteria, their educational income must be evaluated when determining eligibility and calculating benefits.

**ELIGIBLE STUDENT CRITERIA** All students age 18 through 49 enrolled AT LEAST half time (as defined by the institution) in an institution of higher education, who do not meet any exception on Pages 2-3 of this section, must be evaluated to determine their eligibility to receive food stamp benefits.

A student who is **eligible** to participate in the Food Stamp Program is a student who meets at least one of the following criteria:

1. Employed a minimum of 20 hours per week and paid for such employment. If an individual is self-employed, he/she must be employed at least 20 hours per week **and** earning at least the federal minimum wage multiplied by 20.

≥

**NOTE:** Work hours can be averaged to make a determination that the student is working an average of 20 hours per week.

2. Participating in a state or federally financed work study program during the regular school year. The number of work study hours per week is not a consideration.

The student must be approved for work study at the time he/she applies for food stamps, the work study must be approved for the

school term, and the student must anticipate actually working during that time.

≥

**NOTE:** If the school does not have enough available work study sites to cover all students approved for work study but it anticipates a site will be available during the school term, verification of the date or approximate date a site will be available is needed. If the school is not able to verify when a site will be available, the student does not meet the criteria of participating in a state or federally financed work study program during the regular school term.

If a work study job does not materialize during the school year, an over issuance claim would not be established unless the student provided wrong or misleading information.

Student eligibility based on work study begins the month the school term starts or the month the work study is approved, whichever is later. The exemption continues until the end of the month the school term ends or until it becomes known that the student has refused a work study assignment.

≥

The exemption does not continue between terms when there is a break of a full month or longer unless the student is participating in a work study position during the break.

≥

**If a student exhausts work study hours and continues working, the income received is no longer considered excluded educational income (coded 'WS' on the EAIN screen), but is countable wages (coded 'WA' on EAIN screen).** Eligibility based on participation in work study ends. The student must now be working an average of 20 hours a week or meet other criteria in order to remain an eligible student.

3. Responsible for the care of a dependent household member under the age of 6.

**NOTE:** This exemption only applies if the student in question is responsible for providing the majority of child care for children in the household under age 6.

No more than one adult can claim a child. If the household has three children under the age of 6 and three adults, all adults could be eligible students. Relationship to the child is not a consideration. However,

TEAMS case notes must clearly document which adult is caring for which child.

4. Responsible for the care of a dependent household member who has reached the age of 6, but is under age 12 and the OPA Case Manager has determined adequate child care is not available to allow the student to *attend class and*:

≥

- a. work an average of 20 hours per week; **or**,
- b. participate in a state or federally funded work study program during the regular school year.

**NOTE:** Only one adult can claim a child.

5. A single parent, enrolled in an institution of higher education on a full-time basis (as determined by the institution), which is responsible for the care of a dependent child under age 12.
  - a. Applies when only one natural, adoptive or stepparent (regardless of marital status) is in the same food stamp household as the child.
  - b. If no natural, adoptive or stepparent is in the same food stamp household as the child, another full-time student in the same food stamp household as the child may qualify for eligible student status under this provision if he/she has parental control over the child and is not living with his or her spouse.
6. An **individual** receiving or authorized to receive TANF cash assistance, Tribal TANF, or SSI benefits.

**NOTE:** If an individual is disqualified from TANF cash assistance or Tribal TANF, he/she loses eligible student status unless they meet another eligible student category.

7. Assigned to or placed in an institution of higher education through or in compliance with:
  - a. a program under the Work Investment Act (WIA);
  - b. a program under the Trade Adjustment Act (TAA) program administered by the Department of Labor; or,



- c. an employment and training program for low-income households that is operated by a state or local government (e.g., when Vocational Rehabilitation retrain individuals by sending them to college).

**≥CASE NOTE  
DOCUMENTATION**

The OPA Case Manager must document in a case note the criteria met and the verification used to determine eligible student status.

**INCOME AND  
RESOURCES OF  
AN ELIGIBLE  
STUDENT**

The income and resources of an eligible student are countable. The eligible student is coded 'IN' on FS SEPA screen.

**INCOME AND  
RESOURCES OF  
AN INELIGIBLE  
STUDENT**

Resources of an ineligible student are not considered when determining eligibility or level of benefits of the household. The income of an ineligible student living with a household is not considered in determining eligibility or level of benefits of the household unless the student makes money available to other household members. The ineligible student is coded 'OU' on FS SEPA screen.

When an ineligible student makes money available from a countable source to other household members, it is countable unearned income to the household; code 'CO' on UNIN TEAMS screen against the person receiving money.

**EXPENSES OF AN  
ELIGIBLE STUDENT**

Deductible expenses of eligible students are allowed in determining the food stamp benefit level.

**≥EXPENSES OF AN  
INELIGIBLE  
STUDENT**

If an ineligible student shares expenses with an eligible household member(s), the amount actually paid by or billed to the eligible household member(s) is allowed as a deduction.

**EXCEPTION:** If an ineligible student shares utility expenses with an eligible household member, the eligible household member is entitled to the full appropriate mandatory utility allowance (FS 602-4).

The OPA Case Manager must discuss with the household who is responsible for household expenses and clearly document in case notes.

**Example 1:** A household consists of mom, dad, and their child. Dad is an ineligible student and makes all of his earnings available to mom and child. Mom is responsible for the household expenses. The money dad makes available to mom is counted as unearned income, and mom is allowed the deductible expenses.

**Example 2:** A household consists of mom, dad, and their child. Dad is an ineligible student and makes all of his earnings available to mom and their child; however, he is responsible for the household expenses. The money dad makes available to mom is counted as unearned income, and mom is not allowed any expenses.

**Example 3:** A household consists of mom, dad, and their child. Dad is an ineligible student and does not make any of his earnings available to mom and their child but is responsible for half of the household expenses. Mom receives monthly income of her own and is responsible for the other half of the household expenses. The only countable income for mom is her own income. Mom is allowed half of the deductible expenses and is entitled to the full appropriate mandatory utility allowance.

**Example 4:** A household consists of mom, dad, and their child. Dad is an ineligible student and deposits all of his earnings into a joint checking account with mom. Dad's net earnings are counted as unearned income to mom. The monthly expenses are paid from the joint account. The expenses cannot be differentiated, so they are prorated evenly between dad and mom. Mom is entitled to the full appropriate mandatory utility allowance.

≥

**Example 5:** A household consists of mom and two children. Mom is an ineligible student. The household's income is child support and is coded against each child. The rent and utility expense must be coded against the child(ren) in order for the household to receive the shelter deductions.

TP

Department of Public Health  
and Human Services

Section:  
HOUSEHOLD COMPOSITION

FOOD STAMP PROGRAM

Subject:  
Group Homes

**Supersedes:** FS 201-6 (10/01/03)

**References:** 7 CFR 273.1(f), 273.11(f)

≥ **GENERAL RULE** -- Residents of group homes who are **blind** or **disabled** (FS 0-4) may be eligible to receive food stamp benefits. The group home must be a public or private nonprofit residential setting that serves no more than 16 residents.

#### GROUP HOME HOUSEHOLD COMPOSITION

Residents of group homes may apply either:

1. On their own behalf; or,

**NOTE:** When a resident applies on their own behalf, the household size can include one or more members.

2. Through the use of an authorized representative designated by the group home or chosen by the resident.

**NOTE:** When a group home authorized representative applies on a resident's behalf, the household size is one.

≥ **Examples:** Some group home providers that are eligible are AWARE Inc., Cooper Group Home, Eastern Montana Industries, Flathead Industries, Glen-Wood, Lake Elmo Group Home, Milk River Inc. (Warren Group Home and Mitchell Group Home), Missoula Developmental Service Corp., Opportunity Resources (8<sup>th</sup> Street Group Home and Dickinson Group Home), Regional Services, Residential Support Services, and Spring Meadow Resources.

#### GROUP HOME RESPONSIBILITIES

1. The group home staff determines which residents require an authorized representative and which residents can apply on their own behalf. The determination is based on the resident's physical and mental ability to handle his/her own affairs.
2. The group home must act as the authorized representative for residents who cannot apply on their own behalf. As the authorized representative, the group home:

- a. is responsible for reporting changes according to the household's reporting requirements;
  - b. is responsible for any misrepresentation or intentional program violation that it knowingly commits in the resident's eligibility determination;
  - c. assumes liability for loss or misuse of food stamp benefits held on behalf of residents; and,
  - d. assumes liability for all over issuances occurring while serving the household as an authorized representative.
- ≥
- 3. Quarterly, the group home must provide Central Office with a list of currently participating residents signed by a group home official.
  - 4. When a resident leaves the group home, the group home must provide the resident with the household's Montana Access Card and the following food stamp allotment:
    - a. the **full monthly allotment** if benefits **have not been spent** on behalf of the household regardless of when during the month the household leaves the facility; or,
    - b. **one-half** of its monthly allotment if **any portion of the benefits have been spent** on behalf of the household, **and** the household leaves the facility **before the 16th** of the month; or,
    - c. **any remaining benefits not spent** on behalf of the household at the time it leaves the facility **after the 16th** of the month; and,
    - d. a 'Change Report' form, (HCS-260), if possible, with instructions to report changes according to its reporting requirements and to return the form to the OPA.

**NOTE:** The group home authorized representative must return its Montana Access Card to the OPA or contact the OPA Case Manager to report he/she is no longer the authorized representative. **When the OPA Case Manager removes the authorized representative from AURP screen for the case, the authorized representative's Montana Access Card is deactivated overnight.**

**OPA STAFF  
RESPONSIBILITIES**

1. If a participant resides in a group home, the OPA Case Manager must contact the group home and determine who is designated as the FS Authorized Representative at the facility. The name of that person, not the facility, must be entered as the authorized representative on AURP. Montana Access Cards are produced for the authorized representative and the household. It is important to enter a case note each time a change is made to authorized representative information. The OPA must verify the group home is either:

- a. authorized by FNS; **OR**,
- b. certified by the appropriate agency or agencies of the state, including that the center is a non-profit organization (DD group homes are certified by DPHHS); **and**,

**NOTE:** Individuals residing in private for profit group homes are not eligible to participate in the Food Stamp Program.

- c. in compliance with Food Stamp Program regulations regarding authorized representatives; **and**,
- d. serves no more than 16 residents.

2. Central Office must conduct periodic random on-site visits to participating group homes to assure accuracy of the quarterly list.
3. Central Office must maintain a central file of quarterly lists and on-site visit dates and findings.
4. The OPA must ensure the 'Authorized Representative and Group Home Responsibilities and Liabilities' form, (HCS 536), is signed and included in the household's case file and that a copy is submitted to Central Office.

≥

**AUTHORIZED  
REPRESENTATIVE  
OPTIONS WITH  
MONTANA ACCESS  
CARD**

If an authorized representative is not listed on AURP, the Montana Access Card Customer Service representative can only speak with the resident regarding the resident's Montana Access Card. Calls received by Customer Service from a group home employee(s) because a resident is not able to call for him/herself are referred to the OPA. It is assumed an authorized representative needs to be established for the resident because an authorized representative is not listed on AURP.

When the authorized representative is established on AURP for the resident, the authorized representative can perform any maintenance (deactivation, replacement, and PIN changes) for the authorized representative's own card. Customer Service cannot issue control numbers to the authorized representative for changing the resident's PIN but may deactivate and replace the resident's card if the authorized representative has reported the card as lost, stolen, or damaged.

The authorized representative should not need to activate and/or select a PIN for the resident's card. The resident's card can remain inactive and unused while the authorized representative's card is used for purchases. If Customer Service receives a request from the authorized representative to activate the resident's card or to select a PIN for the resident, Customer Service refers the caller to the OPA for an explanation of the policy regarding authorized representatives.

## SHELTER EXPENSE

The group home is responsible to provide verification of the household's current shelter expense. The OPA Case Manager manually (off of the TEAMS system) calculates the allowable shelter expense and documents in case notes how it was calculated. The shelter expense is determined as follows:

1. The group home **room** expense that can be separately identified is the allowable shelter expense.

**Example:** Resident's income is \$300 SSI; \$152 SSDI; \$100 earnings. Room charge is \$300 separately identified from meal charge. The shelter expense is \$300; code 'RE' on EXPE.

2. If the group home room and meal expense cannot be separately identified, the amount of the payment which exceeds the maximum food stamp allotment for the number of persons in the household (Thrifty Food Plan -TFP) is the shelter expense. In addition, if the resident has earnings from a sheltered workshop applied to the payment of room, 20 percent (.2) of the portion of earnings applied to room and board is deducted to determine the shelter expense. This shelter calculation is not associated with the income calculation.

≥

**Example:** Resident's income is \$600 SSDI and \$100 earnings from the sheltered workshop. Room and meal expense is \$650 and is not separately identified. \$50 from earnings are applied to room charges.

Section: HOUSEHOLD COMPOSITION

Subject: Group Homes

$\$650 \text{ (room/meals)} - \$10 \text{ (.2} \times \$50 \text{ of the portion of earnings applied to room/meals expense)} = \$640$

$\$640 - \$152 \text{ (TFP)} = \$488$

\$488 is the shelter expense; code 'RB' on EXPE.

3. If a group home resident makes a single payment for the individual's care, expenses for room, meals and medical should be separately identified to the extent possible.

If the expenses cannot be separately identified, the shelter expense is determined by deducting the following from the single payment made to the group home:

- a. Any identifiable medical expenses (this amount allowed as a medical deduction);
- b. Any amount returned to the resident for personal use;
- c. 20% (.2) of the portion of earnings that are applied to the room expenses; and,
- d. The maximum food stamp allotment for the number of persons in the household.

≥

**Example:** Resident's income is \$600 SSDI and \$100 earnings from a sheltered workshop. The resident makes a single payment of \$700 to the group home for her care, room, meals, and medical expenses. The expenses cannot be separately identified. The resident is allowed \$60 for personal use.

$\$700 \text{ (payment to group home)} - \$60 \text{ (personal use)} = \$640$

$\$640 - \$8 \text{ (.2} \times \$40 = \$8 \text{ of the portion of earnings applied to room/meals)} = \$632$

$\$632 - \$152 \text{ (TFP)} = \$480 \text{ shelter expense; code 'RB' on EXPE.}$

Section: HOUSEHOLD COMPOSITION

Subject: Group Homes

**Example:** Resident's income is \$650 SSDI income. Room and meal is separately identified and is \$400 for room and \$250 for meals. Resident is allowed \$60 for personal use.

\$400 is the shelter expense; code 'RE' on EXPE.

**≥UTILITY  
DEDUCTION**

Households residing in a group home are not entitled to the Standard Utility Allowance (SUA). However, if telephone charges are separately identifiable from other charges, the resident may claim the expense as a shelter cost. The telephone charge must be over and above the normal room and board charge. The Telephone Standard Allowance (STA) of \$32 is allowed as a shelter expense regardless if the STA is more than the actual telephone charge.

yb



Department of Public Health  
and Human Services

Section:  
HOUSEHOLD COMPOSITION

FOOD STAMP PROGRAM

Subject:  
Residents-Drug/Alcohol Treatment/  
Rehabilitation Programs

**Supersedes:** FS 201-7 (10/01/05)

**References:** 7 CFR 273.11(e)

**GENERAL RULE** -- Residents of publicly operated community mental health centers or private non-profit drug and alcohol (DAA) treatment and rehabilitation centers may voluntarily apply for the Food Stamp Program. (See glossary for definition of drug addiction or alcoholic treatment and rehabilitation programs.) Applications must be made through an authorized representative who is employed by the DAA, rehabilitation, or mental health center and designated by the center for that purpose.

**HOUSEHOLD  
COMPOSITION**

Eligibility determinations for residents must be determined as one person households unless their children are living with them in the center. The children must be included in the household with the parent.

**TREATMENT  
CENTER/  
AUTHORIZED  
REPRESENTATIVE**

The resident is required to designate the DAA, rehabilitation, or mental health center as its authorized representative for the purpose of receiving and using the allotment on behalf of the household. As the authorized representative the DAA or rehabilitation center:

1. is responsible for reporting changes according to the household's reporting requirements;
2. is responsible for any misrepresentation or intentional program violation that it knowingly commits in the eligibility determination of the resident and assumes liability for all over issuances occurring while serving the household as an authorized representative;
3. assumes liability for loss or misuse of food stamp benefits held on behalf of residents;
4. provides the Office of Public Assistance (OPA) with a monthly list of currently participating residents signed by a group home official;
5. notifies the OPA when a resident leaves the facility and returns the Montana Access Card to the OPA by the end of each month if it was not given to the departing household; and,
6. provides the household its Montana Access Card and the following food stamp allotment when it leaves the center:

Section: HOUSEHOLD COMPOSITION

Subject: Residents-Drug/Alcohol Treatment/  
Rehabilitation Programs

- a. the **full monthly allotment** if benefits **have not been spent** on behalf of the household regardless of when during the month the household leaves the facility; or,
- b. **one-half** of its monthly allotment if **any portion of the benefits were spent** on behalf of the household, **and** the household leaves the facility **before the 16th** of the month; or,
- c. **any remaining benefits not spent** on behalf of the household at the time it leaves the facility **after the 16th** of the month; and,
- d. a 'Change Report' form, (HCS-260), if possible with instructions to report changes according to its reporting requirements.

**≥REQUIREMENTS**

In order for the residents of a DAA center to be certified to receive food stamps, the facility must provide evidence that it is:

- 1. Tax exempt and certified by the State agency responsible for the treatment and rehabilitation of drug addicts or alcoholics as:
  - a. Receiving funding under Part B of Title XIX; or
  - b. Eligible to receive funding under Part B of Title XIX even if no funds are being received; or
  - c. Operating to further the purposes of Part B of Title XIX, to provide treatment and rehabilitation of drug addicts and/or alcoholics; **or**,
- 2. Authorized as a retailer by FNS.

After determining that the facility qualifies under one of the above criteria, eligibility is determined using the same provisions that apply to all other households. Central Office conducts random on site visits of the treatment or rehabilitation center to assure the accuracy of the list of currently participating residents.

yb

Section: HOUSEHOLD COMPOSITION

Subject: Residents-Drug/Alcohol Treatment/  
Rehabilitation Programs

Department of Public Health  
and Human Services

Section:  
HOUSEHOLD COMPOSITION

FOOD STAMP PROGRAM

Subject:  
Shelters for Battered Adults & Children

**Supersedes:** FS 201-8 (02/01/00)

**References:** 7 CFR 273.11(g)

GENERAL RULE--Residents of Shelters for Battered Women, Men and Children may be eligible for benefits. Protective Service Agencies can verify recognized shelters.

≥ An eligible resident who has authorized the shelter management to act as authorized representative can use the food stamp benefits to purchase meals prepared at the shelter. The shelter management can then act as authorized representative to purchase food with their EBT Card. Residents of a shelter for battered adults and children are not required to name the shelter as an authorized representative. These individuals may apply on their own behalf and use benefits to purchase food in or out of the shelter.

#### **SPECIAL PROCEDURES**

1. Individuals who have left a participating household may receive an additional allotment as a separate household only once per month. This should not be treated as a replacement, but instead as a separate case. Code all individuals receiving duplicate benefits with an 'SH' SEPA code.
2. Certify individuals at the shelter as a separate household on the basis of their income and resources only.
3. Do not count inaccessible joint resources (FS 403-1).
4. Consider room payments to the shelter as housing costs.

**NOTE:** Notify the shelter resident's former household of changes in benefit resulting from the individual no longer being in the home. Do not inform the former household of where the battered individual(s) are living.

yb

Department of Public Health  
and Human Services

Section:  
HOUSEHOLD COMPOSITION

FOOD STAMP PROGRAM

Subject:  
Dual Participation Commodities/ Food  
Stamp Program

**Supersedes:** FMFS 201-9 (05/01/99)

**References:** 7 CFR 273.1; 7 CFR 253.7(3), 7 CFR 281.1 (C) 7 CFR 281.7a

► GENERAL RULE -- An individual cannot participate in the Food Stamp Program in any month when he/she has received benefits in another state or commodities from the Food Distribution Program on Indian Reservations (FDPIR).

**EXCEPTION:** Current certified food stamp household members who enter a designated abuse shelter may apply and be eligible for food stamp benefits in the same month provided that the original certified household contained the abuser. Abuse shelter residents may receive an additional benefit as a separate household only once a month.

Households certified in either FDPIR or the Food Stamp Program on the first day of the month can only receive benefits in the program for which they are currently certified for the month.

► **Example:** Household consisting of Mom, Dad and two children, apply for food stamps in November. Dad is the only member who received commodities for November and requested his commodities case close the end of November. When processing the application for November, Dad is not included (coded 'OU') in the assistance unit. The OPA Case Manager processes the application for Mom and the children for November benefits. Mom, Dad and their two children must all be included in the benefit determination for December.

## RESERVATION AND ADJACENT COUNTIES

Until an automated match can be instituted, the following procedure has been established to prevent and detect dual participation. Form DPHHS-FD-002 'Interagency Notice of Certification/Change of Program' must be sent to the FDPIR certification office at application, recertification, closure, or when a change in household composition is reported for the following:

1. A household residing on an Indian reservation; OR
2. A household residing in the service area for FDPIR, and there is a

Section: HOUSEHOLD COMPOSITION

Subject:

Dual Participation – Commodities/  
Food Stamp Program

household member that is an enrolled tribal member of any tribe. The forms shall be sent to the FDPIR program on a weekly basis. A screen print of the HOSU TEAMS screen can be attached, so the demographic section does not have to be completed by the OPA Case Manager.

**FDPIR SCOPE OF OPERATION**

<b>RESERVATION</b>	<b>COUNTY</b>	<b>SERVICE AREA</b>
Salish-Kootenai (Flathead) FDPIR  Box 757 Saint Ignatius 59865  745-4115	Missoula Lake Sanders Flathead	*Indian and non-Indian households within the exterior boundary of the Reservation.
Blackfeet FDPIR  Box 3003 Browning 59417  338-7340	Glacier Pondera	*Indian and non-Indian households within the exterior boundary of the Reservation. *Households with a least one enrolled tribal member (any tribe) living in Santa Rita, Cut Bank, Valier, Dupuyer or Summit.
Crow FDPIR  409 Crooke Hardin 59034  665-2523	Big Horn Yellowstone Carbon	*Indian and non-Indian households within the exterior boundaries of the reservation. * Households with at least one enrolled tribal member (any tribe) who reside within five miles of the exterior boundary, excluding the portion which lies within the boundaries of the Northern Cheyenne Reservation. * Households residing within the municipal limits of the city of Hardin who have at least one enrolled tribal member (any tribe).
Fort Belknap  Rural Route 1 Box 2728 Harlem 59526  353-2205 ext 485	Blaine Phillips	*Indian and non-Indian households within the exterior boundaries of the reservation. * Households with at least one enrolled tribal member (any tribe) who reside in or near the communities of Harlem, Dodson, Zortman, Landusky, and Zurich.

Section: HOUSEHOLD COMPOSITION

Subject:

Dual Participation – Commodities/  
Food Stamp Program

RESERVATION	COUNTY	SERVICE AREA
Fort Peck FDPIR  Box 1027 Poplar 59255  768-5321	Daniels Roosevelt Sheridan Valley Richland McCone	*Indian and non-Indian households within the exterior boundaries of the reservation. *Households with at least one enrolled tribal member (any tribe) who reside within twenty miles of the Reservation including those residing in or near communities of Nashua, Glasgow, Culbertson, Froid, or Medicine Lake.
Northern Cheyenne FDPIR  Box 128 Lame Deer 59043  477-8278	Big Horn Rosebud	*Indian and non-Indian households within the exterior boundaries of the reservation. *Households with at least one enrolled tribal member (any tribe) who reside within ten miles of the boundaries of the reservation, excluding those who reside within the boundaries of the Crow Reservation.
Rocky Boy FDPIR (Chippewa-Cree)  Box 544 Rocky Boy Route Box Elder 59521  395-4315	Chouteau Hill	*Indian and non-Indian households within the exterior boundaries of the reservation. *Households with at least one enrolled tribal member (any tribe) who reside in or near the community of Box Elder.

**OTHER COUNTIES**

If the OPA Case Manager has reason to believe the applicant/recipient might be on the FDPIR program, he/she should phone the FDPIR program(s). The OPA Case Manager may also choose to send form DPHHS -FD- 002 to the FDPIR program.

**INFORMATION FROM FDPIR**

The FDPIR certification offices will send one of the following to the Office of Public Assistance (OPA) for the county in which the participant resides:

- ◆ A weekly list of all participants on FDPIR; or
- ◆ Weekly updates via Form DPHHS -FD-002 and a monthly list of all participants to the participant's county of residence.

OPA Case Managers should review the list and FD-002 forms to check for possible duplicates.

Section: HOUSEHOLD COMPOSITION

Subject:

Dual Participation – Commodities/  
Food Stamp Program**►DUAL  
PARTICIPATION**

If dual participation is identified other states, FDPIR and OPAs need to communicate to evaluate who will be responsible for pursuing the overpayment. Generally, the program that provided the duplicate benefit will be required to pursue repayment. Exceptions will be made when the participant failed to report a change in status timely or when the initial issuance site made an administrative error.

**Example:** Fort Peck Distribution Program certified the household in September. Commodities were provided in both September and October. In October the household applied in Richland County OPA and was approved for October food stamps. The OPA is required to pursue the repayment.

**NOTE:** If the household did not report receiving commodities on the application, a disqualification for intentional program violation (IPV) should be pursued. An individual disqualified for (IPV) from the Food Stamp Program is disqualified from not only the Food Stamp Program but also from receiving commodities from FDPIR.

TP



Department of Public Health  
and Human Services

Section:  
NONFINANCIAL REQUIREMENTS

FOOD STAMP PROGRAM

Subject:  
Citizenship

**Supersedes:** FS 301-1 (11/01/01)

**References:** 7 CFR 273.4; Jay Treaty of 1794; Food Stamp Act of 1977

**GENERAL RULE** -- All members of the assistance unit must be United States (U.S.) citizens, Nationals or **eligible** aliens.

A food stamp applicant must:

- ≥ 1. Be a U.S citizen, U.S. National or an eligible alien. **Verification of citizenship is only required if status is questionable.** Eligible alien status must be verified (FS 301-2); or,

**NOTE:** Expedited services cannot be delayed solely for verification of citizenship or eligible alien status.

2. Sign a declaration under penalty of perjury the applicant is a U.S. citizen or U.S. National. This declaration is included on the HCS-250, 'Application for Assistance'.

## **U.S. CITIZEN**

A U.S citizen is someone born in:

1. One of the 50 states;
2. The District of Columbia;
3. Puerto Rico;
4. Guam;
5. The Virgin Islands; or,
6. The Northern Mariana Islands.

**NOTE:** Individuals born in the United States are U.S. citizens including children whose parents are present in the U.S. illegally.

## **U.S. NATIONALS**

A U.S. National is someone born in:

1. American Samoa; or,

## 2. Swain's Island.

**NOTE:** There is no requirement U.S. Nationals register with the Immigration & Naturalization Service (INS) or carry any documentation.

### ≥CHILD CITIZENSHIP ACT OF 2000

Beginning February 27, 2001, the 'Child Citizenship Act of 2000' allows children who are born abroad including children adopted from a foreign country to acquire citizenship automatically. **All** of the following conditions must be met:

1. At least one parent of the child is a U.S. citizen by birth or naturalization; and,
2. The child is under the age of 18 years; and,
3. The child is a lawful and permanent resident residing in the legal and physical custody of the U.S. citizen parent; and,
4. The adoption is final, if the child is adopted.

A child acquires citizenship automatically on the date the child meets all of the above requirements.

### NATURALIZATION

People who are not U.S. citizens by birth may acquire citizenship by naturalization. Aliens do not become citizens simply by marrying a U.S. citizen but spouses can apply for naturalization and, if eligible, become citizens through the court.

In some instances, alien children become U.S. citizens when a parent is naturalized. These children might have their own separate naturalization records or papers. If so, their citizenship can be verified the same as an adult; if not, the situation is referred through the INS status verifier.

**NOTE:** These children may qualify through the 'Child Citizen Act of 2000' (see page 2).

Citizenship acquired by naturalization can be verified in the county where naturalization occurred. Each county Clerk of Court has an index of all individuals naturalized in the county. If the person's record cannot be located or the county of naturalization is not known, verification can be obtained from INS who maintains an index of all naturalized individuals.

### DERIVATIVE CITIZENSHIP

Children can derive citizenship from their parent(s). For example, a child born abroad to a U.S. citizen might acquire foreign citizenship depending on the laws of that country, but the child might also claim U.S. citizenship.

Refer the individual to INS to complete the necessary paperwork and provide status verification.

**NOTE:** These children may qualify through the 'Child Citizen Act of 2000' (see page 2).

#### **PERSON BORN ABROAD**

There are many legal considerations in determining the citizenship of a person born abroad. In the absence of verification, these situations are referred for determination through the INS status verifier.

**NOTE:** These individuals may qualify through the 'Child Citizen Act of 2000' (see page 2).

#### **FOREIGN ADOPTION BY U.S. CITIZEN**

Since foreign-born adopted children do not acquire U.S. citizenship by virtue of adoption by U.S. citizens, determine if the child has been granted U.S. citizenship by application to INS.

≥

**NOTE:** These individuals may qualify through the 'Child Citizen Act of 2000' (see page 2).

If the birth certificate shows a foreign place of birth and the individual cannot be determined to be a naturalized citizen under any of the above criteria, obtain other evidence of U.S. citizenship.

#### **VERIFICATION**

All assistance unit members must be a U.S. citizen, a U.S. National or eligible alien (FS 301-2) to receive benefits. Any of the following documents can be used to verify U.S. citizenship or U.S. National status:

1. Birth certificate;
2. U.S. passport;
3. Report of Birth Abroad of a Citizen of the U.S.;
4. Religious record;
5. Voter registration card;
6. Certificate of citizenship or naturalization provided by INS, such as identification cards for the use of resident citizens in the U.S. (INS Form I-179 or INS Form I-197);
7. Participation in another program if verification of citizenship or non-citizen national status was obtained for the program; or,

8. If the household cannot obtain a form of verification listed above and the household can provide a reasonable explanation as to why verification is not available, the OPA Case Manager must accept a signed statement by an individual who is a U.S. citizen, under penalty of perjury, indicating a reasonable basis for knowledge the individual in question is a U.S. citizen or non-citizen national. The signed statement must contain a warning of the penalties for helping someone commit fraud.

**TEAMS CODES**

U.S. citizens, U.S. Nationals and aliens must be coded on the TEAMS Residency and Citizenship (RECI) screen in the CIT field as:

1. 'EA' (Eligible Alien);
2. 'RF' (Refugee);
3. 'IA' (Ineligible Alien); or,
4. 'US' (U.S. citizen or National).

TP

Department of Public Health  
and Human Services

Section:  
NONFINANCIAL CRITERIA

FOOD STAMP PROGRAM

Subject:  
Eligible Alien Status

**Supersedes:** FS 301-2 (10/01/06), Bulletin FS 50 (03/23/07)

**References:** 7 CFR 273.1(b)(7)(i); 7 CFR 273.2(b)(1)(iii); 7 CFR 273.2(f)(1)(ii); 7 CFR 273.4; 7 CFR 273.11(c)(3)

GENERAL RULE -- An individual who is not a U.S. citizen or a U.S. National must have their alien status verified to be included in the assistance unit.

A required member of the filing unit, who is not a U.S. citizen, a U.S. National, or does not meet 'eligible alien' status, can choose not to be included in the assistance unit by declaring to be an 'ineligible alien'; code 'DS' on FS SEPA.

Alien visitors, tourists, diplomats and students, who enter the U.S. temporarily with no intention of abandoning their residence in a foreign country, are not eligible for food stamp benefits under any circumstances.

**'ELIGIBLE  
ALIEN'**

Individuals must meet food stamp 'Qualified Alien Categories' (pages 2-4) **and** one of several 'Special Food Stamp Criteria' (pages 4-6) to be determined an 'eligible alien' for the Food Stamp Program.

**ADDITIONAL  
ALIEN STATUS  
NOT REQUIRED**

Individuals meeting one of the following criteria are **NOT** required to meet any additional alien status criteria. They do have to meet all other food stamp non-financial and financial eligibility requirements to be included in the assistance unit.

1. An individual lawfully residing in the U.S. and was a **member of a Hmong or Highland Laotian tribe** at the time the tribe rendered assistance to U.S. personnel by taking part in a military or rescue operation during the Vietnam era beginning August 5, 1964 and ending May 7, 1975. Also, the following family members:
  - a. the spouse, or unmarried surviving spouse of the Hmong or Highland Laotian who is deceased; or,
  - b. an unmarried dependent child (including legally adopted children) of the Hmong or Highland Laotian under the age of 18, or if a full-time student under the age of 22; or,

- c. an unmarried child (including legally adopted children) under the age of 18 or, if a full-time student under the age of 22 of the **deceased** Hmong or Highland Laotian provided the child was dependent upon them at the time their death; or,
- d. an unmarried disabled child (including legally adopted children) age 18 or older if the child was disabled and dependent on the Hmong or Highland Laotian person prior to the child's 18th birthday.

2. **A North American Indian** (at least 50% Indian blood) born in Canada to whom the provisions of Section 289 of the Immigration and Nationality Act (INA) (8 U.S.C. 1359) apply. This does not include a spouse or child of the Indian, nor a non-citizen whose membership in an Indian tribe or family is created by adoption unless the persons are also of at least 50% Indian blood.

This provision was intended to address Canadian born North American Indians entitled to cross the U.S. border into Canada or Mexico.

**NOTE:** Acceptable types of documentation include birth or baptismal certificates issued on a reservation, tribal records, a letter from the Canadian Department of Indian Affairs, a Canadian Certificate of Indian Status (Form IA-2360), or school records.

3. **A member of a federally acknowledged Indian Tribe** in the contiguous 48 states and Alaska. These tribes are listed in Section 4 (e) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450 (e)).

**Example:** An individual born in Germany whose father is a Crow tribal member and mother is a German citizen. The individual has verification he is an enrolled tribal member and has not yet been granted alien status by U.S. Citizenship and Immigration Service (USCIS). This individual's alien status verification can be waived due to being a tribal member. All other financial and non-financial requirements must be met.

**'QUALIFIED  
ALIEN  
CATEGORIES'**

A 'qualified alien' is an alien, who at the time he/she applies for or receives food stamp benefits, meets one of the 'qualified categories' listed below and one of the 'Special Food Stamp Criteria' (pages 4-6) to be considered an eligible alien.

**EXCEPTION:**

A 'qualified alien' who meets a 'qualifying category' of a refugee, a victim of human trafficking, a deportee, an alien granted asylum, or an alien having a Cuban or Haitian entrant status, **OR** meets any of the three categories for exception (pages 1-2), does not have to meet one of the 'Special Food Stamp Criteria' to be determined an 'eligible alien'.

1. **Lawfully Admitted to the United States for Permanent Residence (LAPR)** - an alien granted status as a LAPR by the Immigration and Nationality Act (INA);
2. **Refugee** - an alien admitted to the U.S. under Section 207 of (INA);
3. **Victims of human trafficking** - an alien in the U.S. because they are victims of human trafficking **or** minor children, spouses and in some cases the parents and siblings of victims of severe trafficking are considered refugees by the Office of Refugee Resettlement (ORR);

**NOTE:**

ORR issues a certification document identifying the individual as a victim of human trafficking or eligible relatives of trafficking victims.

Trafficking victims verification toll free number is 1-866-401-5510.

4. **Granted asylum** - an alien granted asylum under Section 208 of the INA;
5. **Deportation withheld** - an alien who had deportation withheld under Section 243 (h) of the INA;
6. **Cuban and Haitian entrant status** - an alien granted status as a Cuban or Haitian entrant as defined in Section 501(e) of the Refugee Education Assistance Act of 1980;
7. **Parolee** - an alien who has been paroled under Section 212 (d) (5) of the INA for at least one year;
8. **Conditional entry** - an alien granted conditional entry under Section 203 (a) (7) of the INA in effect prior to 04/01/80; and,

9. **Battered** - an alien who is a battered spouse, battered child (age 18 or younger), or parent or child of a battered individual with a petition pending under Section 204 (a)(1)(A) or (B) or 244 (a)(3) of the INA.

**'SPECIAL FOOD  
STAMP CRITERIA'**

A 'qualified alien' who is not a refugee, a victim of human trafficking, a deportee, an alien granted asylum, or an alien having Cuban or Haitian entrant status **OR** does not meet any of the three categories for exception (pages 1-3), must meet one of the following 'Special Food Stamp Criteria' to be determined an 'eligible alien'.

1. **'Qualified Alien'** - effective April 1, 2003 an alien who has lived in the U.S. as a 'qualified alien' for a period of five years or longer from the date of entry such as a LAPR, parolee, conditional entry, or battered;
2. **Amerasian Immigrant** - an alien admitted to the U.S. as an Amerasian immigrant pursuant to Section 584 of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1988;
3. **Military connection** - *an alien* who meets one of the following:
  - a. A veteran (Title 38, Section 101, U.S.C.) with an honorable discharge and not on account of alienage;

**NOTE:** Acceptable documentation of veteran status is the original copy of the veteran's discharge papers issued by the branch of service the alien was a member.

If there has been more than one discharge, the most recent one will be the only one used to determine if this requirement has been met.

- b. On active duty other than active duty for training, in the U.S. Armed Forces; or,

**NOTE:** Acceptable documentation of active military status is the original copy of the alien's current orders posting the alien to a military base.

- c. The spouse or unmarried dependent child (age 18 or younger) of the *alien veteran* in (a) or (b) above, or the unmarried surviving spouse of a deceased *alien veteran*.



4. **Child** - effective October 1, 2003 a child currently under 18 years of age who is lawfully residing in the U.S.;
5. **Disabled** - effective October 1, 2002 an alien receiving benefits or assistance for blindness or disability and lawfully is residing in the U.S.;
6. **Aged** - an alien lawfully residing in the U.S. on August 22, 1996 who was born on or before August 22, 1931; or,
7. **Lawfully Admitted to the United States for Permanent Residence (LAPR)** - a LAPR who also meets 40 quarters of work criteria.

The individual must provide proof of earnings of 10 years or more with employer statements, income tax forms, wage stubs, etc., or obtain verification by requesting the information from the regional Social Security Administration (SSA) office. The OPA Case Manager can access Montana's State Verification and Exchange System (SVES) interface with SSA to establish the 40 quarters of work for the LAPR 'qualified alien'.

A maximum of four credits may be earned in a year by each individual. Credits will be credited only after the calendar quarter has ended. Calendar quarters mean the four calendar months ending March 31st, June 30th, September 30th, and December 31st of any year.

No work quarters are creditable for any period beginning after December 31, 1996, if the alien (or the parent or spouse) received any federal means-tested benefits or received food stamps during the period the work quarters were earned. Federal means-tested benefits are TANF Cash, and Tribal TANF, or BIA Tribal Assistance.

**NOTE:** Any earnings of a non-citizen for work legally performed in the U.S. are used when calculating quarters of work. This includes earnings not creditable for Social Security benefits. The OPA Case Manager determines if the non-citizen has earned a quarter of work using the 'National Average Wage Index Needed to Earn One Quarter of Coverage' on page 9.

Any earnings of a non-citizen for work performed in another country as long as the work is creditable for Social Security benefits are included.

One quarter of work can be counted for more than one person (e.g., Mom, dad and child apply for assistance. Mom and dad worked the third quarter of 2000. Since both spouses worked the quarter, all three individuals can count two quarters for 03/00 - one from mom and one from dad). Technically, it is possible to earn 40 quarters in only 20 quarters if both spouses worked the same 20 quarters.

A qualifying quarter of work is credited if earned by:

- a. The alien;
- b. The alien's living or deceased parents (natural, adopted or stepparents) while the alien was under age 18 (including quarters earned before his birth regardless of his current age); and/or,
- c. The alien's spouse during their marriage if the marriage continues or if the spouse is deceased.

Information on the alien's quarters of work may be obtained by accessing the SSA interface with TEAMS by inquiring through the RECI screen and entering a 'Y' in the 'SSA 40Q' field for the individual. If the alien does not have the required 40 quarters of their own, the OPA Case Manager needs to access another family member's information to make up the difference or verify earnings by another method such as wage stubs.

**NOTE:** Only the alien's parents or spouse's information may be accessed because a child's quarters or a sibling's quarters cannot be attributed to a parent or a sibling.

## VERIFICATION ALIEN STATUS

If an individual's citizenship or status as a non-citizen national is questionable, the OPA Case Manager must verify the member's citizenship or non-citizenship national status by applying *either* item 2 or 3. Alien status must always be verified whether questionable or not, by applying item 1:

1. Alien status verification through USCIS, provided by:

Section: NONFINANCIAL CRITERIA

Subject: Eligible Alien Status

- a. Completing USCIS Form G-845S 'Document Verification Request' and attaching copies of the documentation of immigration status provided by the alien applicant; and,
- b. Submitting Form G-845S (attaching copies of both sides of the documentation provided) to:

Status Verification of Citizenship  
 US Department of Homeland Security  
 300 North Los Angeles 2031  
 Los Angeles, CA 90012

**NOTE:** If item #12 or item #16 in the USCIS Response section of Form G-845S is marked by the Status Verifier, terminate or deny assistance for the individual using the following legal cites: P.L. 104-193, Title IV, Section 400-431.

All other USCIS responses indicate valid documents. Benefits may continue if all other eligibility criteria are met. Document the results of USCIS verification in case note.

- 2. Participation in another program if verification of citizenship or non-citizen national status was obtained for that program; **OR**,
- 3. If the household cannot obtain the forms of verification listed in #1 or #2, and the household can provide a reasonable explanation as to why verification is not available, the OPA Case Manager must accept a signed statement, under penalty of perjury, from a third party indicating a reasonable basis for knowledge the individual in question is a U.S. citizen or non-citizen national. The signed statement must contain a warning of the penalties for helping someone commit fraud.

## SPONSORED ALIEN FS 301-3

### TEAMS CODING

An 'eligible alien'; code 'IN' on FS SEPA; code 'EA' in CIT field on RECI.  
 An 'ineligible alien' or an alien declaring 'ineligible alien' status; code 'DS' on FS SEPA; code 'IA' in CIT field on RECI.

Section: NONFINANCIAL CRITERIA

Subject: Eligible Alien Status

**INELIGIBLE ALIEN  
RESOURCES,  
INCOME AND  
EXPENSES**

The resources of an 'ineligible alien' are countable in their entirety.

Income and expenses of the ineligible alien are prorated among the remaining household members. Income and expenses must be coded against the ineligible alien or income and expenses will not be prorated; code 'DS' on FS SEPA.

**EXCEPTION:** A household is allowed the **full appropriate mandatory utility allowance** if the individuals who share the utility expense(s) are not in the food stamp assistance unit because they are an ineligible alien, Able Bodied Adults Without Dependents (ABAWD) disqualified, or SSN disqualified coded 'DS' or are disqualified coded 'DQ' or 'DF' but are otherwise required household members. This also applies to households with an ineligible student.

**REPORTING  
ILLEGAL ALIENS**

The Office of General Counsel (OGC) provides two criteria to be used in determining when to report illegal aliens to USCIS:

1. There is an admission by the applicant, another household member, or the household's authorized representative that illegal alien(s) are present in the household.
2. USCIS documents presented by the household during the application process are determined to be forged.

During the certification or recertification process, the OPA Case Manager may discover other information which indicates someone in the household is an illegal alien. In order to determine that a member or members of that household are in fact illegal aliens based on this other information; it must be reported to USCIS.

Section: NONFINANCIAL CRITERIA

Subject: Eligible Alien Status

**NON-CITIZEN QUARTERS OF WORK CALCULATION**

<i>National Average Wage Index Needed to Earn One Quarter of Coverage</i>			
<b>YEAR</b>	<b>AMOUNT OF EARNINGS</b>	<b>YEAR</b>	<b>AMOUNT OF EARNINGS</b>
1975	\$50	1991	\$540
1976	50	1992	570
1977	50	1993	590
1978	250	1994	620
1979	260	1995	630
1980	290	1996	640
1981	310	1997	670
1982	340	1998	700
1983	370	1999	740
1984	390	2000	780
1985	410	2001	830
1986	440	2002	870
1987	460	2003	890
1988	470	2003	890
1989	500	2004	900
1990	520	2005	920
1991	540	2006	970
1992	570	▶ 2007	1000
1993	590		
1994	620		
1995	630		

TP

Department of Public Health  
and Human Services

Section:  
NONFINANCIAL REQUIREMENTS

FOOD STAMP PROGRAM

Subject:  
Sponsored Aliens

**Supersedes:** FS 603-3 (10/01/02)

**References:** 7 CFR 273.4(c)

GENERAL RULE -- When determining eligibility for sponsored aliens, the income and resources of the sponsoring United States citizen(s) must be deemed to the alien(s).

**ALIEN SPONSOR** An alien sponsor is an individual who:

1. Is a citizen or national of the U.S. or an alien who is lawfully admitted to the U.S. for permanent residence;
2. Is 18 years of age or older;
3. Is residing in any of the 50 states or the District of Columbia; and,
4. Is the person petitioning for the admission of the alien under section 204 of the INA (Affidavit of Support pursuant to Section 213A of the INA).

**DEEMING NOT REQUIRED** Deeming of income and resources to a sponsored alien is not required if the alien is:

1. Participating as part of the sponsor's household;
2. Sponsored by a food stamp recipient in another household;
3. Sponsored by an organization or group;
4. Not required to be sponsored under the Immigration and Nationality Act (e.g., refugee, individuals granted asylum, a Cuban or Haitian entrant, etc.); and,
5. An immigrant child under 18 years old.

**DEEMING OF SPONSOR'S INCOME AND RESOURCES** The income and resources of the alien's sponsor and the spouse of the sponsor (if the spouse also signed an Affidavit of Support) are deemed to be available to the alien until such time as the alien:

1. Achieves U.S. citizenship; or,

2. Has worked or can be credited with 40 qualifying quarters of work (FS 301-2).

Income deemed to the sponsored alien is counted as unearned income to the sponsored alien. Resources deemed to the sponsored alien are counted as resources for the sponsored alien.

**NOTE:** When determining the amount of income and resources to be deemed, the sponsor's spouse's income and resources are included even if they were not married at the time the agreement was signed. If the sponsor and spouse do not live together, only the income and resources of the sponsor are counted.

When a sponsor sponsors more than one alien household, the sponsor's income and resources are divided among the number of alien households sponsored.

When an alien changes sponsors after being certified for the Food Stamp Program, the new sponsor's income and resources are used to determine continued eligibility.

#### DEEMED INCOME

The countable deemed income is coded against the alien; code 'AS' on UNIN. Manually calculate the amount of income to be deemed as follows:

1. \_\_\_\_\_ Sponsor's (and spouse's) income.
2. - \_\_\_\_\_ Earned income disregard ( 20%).
3. - \_\_\_\_\_ Disregard an amount equal to the gross monthly income limit for the sponsor and dependents. The number of dependents that could be claimed on the federal income tax return is used.
4. = \_\_\_\_\_ Income to be deemed.
5. \_\_\_\_\_ Divide income to be deemed (line #4) by the number of alien households sponsored. This is the income deemed to each sponsored household.

**NOTE:** Money provided by the sponsor in excess of the deemed income amount is counted as unearned income (contribution).

**DEEMED  
RESOURCES**

The countable amount of resources to be deemed is coded against the alien; code 'OF' on OTAS. Manually calculate the amount of resources to be deemed as follows:

1. \_\_\_\_\_ Sponsor's (and spouse's) countable resources.
2. - 1,500.00 General resource limitation (per regulation).
3. = \_\_\_\_\_ Resources to be deemed.
4. \_\_\_\_\_ Divide resources to be deemed (line #3) by the number of alien households sponsored. This is the amount of resources deemed to each sponsored household.

**ALIEN'S  
RESPONSIBILITY**

The eligible sponsored alien is responsible to:

1. Obtain the cooperation of the sponsor and provide information or documentation necessary to calculate deemed income and resources;
2. Provide names and other identifying information of other aliens for whom the alien's sponsor has signed an affidavit of support, if known;
3. Report if the sponsor changes and provide required information; and,
4. Report a change in income if the sponsor changes, loses employment, or dies.

**DISQUALIFIED  
SPONSORED  
ALIEN**

The income and resources of sponsored aliens that are disqualified from participation are counted toward the household's needs; code 'DQ' or 'DS' on FS SEPA. However, the portion of the sponsor's income and resources deemed to the disqualified member is not included when determining the remaining household's eligibility.

**OVER ISSUANCES**

Both the sponsor and the alien are held liable for any over issuances. Claims may be established against both parties unless it is verified one of the parties was without fault in providing the information.

TP



Department of Public Health  
and Human Services

Section:  
NON-FINANCIAL REQUIREMENTS

FOOD STAMP PROGRAM

Subject:  
Social Security Number

**Supersedes:** FS 303-1 (11/01/00)

**References:** 7 CFR 273.6, 273.11(b)(7)(5)

GENERAL RULE -- A household participating or applying for participation in the Food Stamp Program must provide the Social Security number (SSN) for each household member or *verify the member has applied* for one before the eligibility determination. If individuals have more than one number, all numbers must be furnished.

The Department of Public Health and Human Services is authorized to use SSNs in the administration of the Food Stamp Program in accordance with federal regulations.

#### **SSN FOR PARTICIPATING HOUSEHOLD MEMBERS**

Individuals wanting to participate in the Food Stamp Program who do not have a SSN, do not know if they have one, or are unable to find one, must apply for a SSN with the Social Security Administration (SSA). Proof of Proof of application for a SSN from SSA is required before the initial eligibility determination. Generally, the SSA uses the Receipt for Application for a Social Security Number, Form SSA-5028, as proof an individual applied for a SSN.

If the household is unable to provide proof of application for a SSN for a newborn, the household must provide the SSN or proof of application at its next redetermination or within six months following the month the baby is born, whichever is later. If the household is unable to provide a SSN or proof of application for a SSN within those time frames, the OPA Case Manager will determine if good cause is applicable.

Generally, the SSN application process is begun while the mother is still in the hospital. If a SSN application is made for a newborn prior to the mother leaving the hospital, the application for a SSN from the hospital is acceptable verification.

#### **≥GOOD CAUSE**

The OPA Case Manager considers information from the household, the SSA, and any information the OPA may have to determine if good cause exists for an individual not applying for or providing a SSN.

Good cause exists if documentary or collateral information shows that the household member has applied for a SSN, **and** the individual has made every effort to provide the SSA with the necessary information to complete an application for the SSN.

When the household or someone acting on its behalf has a **sincere religious objection** to providing a SSN or applying for a SSN, all household members may participate in the program if otherwise eligible.

Good cause does not include delays due to illness, lack of transportation or temporary absences. The SSA makes provisions for mail-in applications in lieu of applying in person.

If the household member can show good cause why an application for a SSN has not been completed in a timely manner, that person is allowed to participate for one month in addition to the month of application. If the household member applying for a SSN has been unable to obtain the documents required by SSA, the OPA Case Manager makes every effort to assist in obtaining these documents. Good cause for failure to apply for a SSN must be shown monthly in order for the household member to continue to participate. Once an application has been filed, the household member continues to participate pending notification of the member's SSN.

#### **SSN INELIGIBLE**

If a household member does not apply without good cause for a SSN or does not provide their SSN, that individual is ineligible to participate in the Food Stamp Program. The disqualification applies to the individual for whom the SSN is not provided and not to the entire household.

The disqualified individual is coded 'DS' on the FS SEPA screen.

#### **ENDING DISQUALIFICATION TEAMS**

A disqualified household member may establish eligibility by providing a SSN or verifying the member has applied for one. SSNs are entered on TEAMS SSDO screen. The OPA Case Manager enters the appropriate verification code ('CS'- client statement, 'VV'- visually viewed, or 'HC'- hard copy). The number is verified through a computer interface with SSA and TEAMS, and the verification code is updated to 'AG'- agency interface.

TP

o O o

Department of Public Health  
and Human Services

Section:  
NONFINANCIAL REQUIREMENTS

FOOD STAMP PROGRAM

Subject:  
Categorical Eligibility

**Supersedes:** FS 304-1 (10/01/02)

**References:** 7 CFR 273.2(j); 7 CFR 273.8(e)

GENERAL RULE -- The term 'categorical eligibility' applies to households and to individuals.

**CATEGORICALLY  
ELIGIBLE  
INDIVIDUAL**

A categorically eligible individual is an individual who receives or is 'authorized to receive' TANF, Tribal TANF or SSI. Resources are excluded for categorically individuals even if the household is not categorically eligible.

**CATEGORICALLY  
ELIGIBLE  
HOUSEHOLD**

A categorically eligible household is a household in which **all** members receive or are 'authorized to receive' TANF, Tribal TANF, or SSI benefits. The household is categorically eligible to receive food stamp benefits because of the household members' status as TANF, Tribal TANF, and SSI recipients. Resources are excluded for categorically eligible households, and the household is not required to pass the gross or net income test.

**EXCEPTION:**

The following are **NOT** categorically eligible **households** even if all members in the household are receiving TANF, Tribal TANF, or SSI.

1. The entire household residing in an institution.

**NOTE:**

Residents of public institutions who apply jointly for SSI and food stamp benefits prior to release from the institution are considered categorically eligible once SSI eligibility is determined and the individual is released from the institution.

2. The entire household is disqualified from the Food Stamp Program.
3. A member is disqualified for any of the following reasons:

## Section: NONFINANCIAL REQUIREMENTS

## Subject: Categorical Eligibility

- a. intentional program violation;
- b. fleeing felon or probation/parole violation;
- c. convicted of receiving duplicate benefits;
- d. convicted of trading benefits for weapons, ammunition, explosives or drugs;
- e. convicted of buying or selling benefits of \$500 or more; or,
- f. convicted after 08/22/96 of a federal or state felony for possession, use or distribution of illegal drugs.

A household may have non-household members and still be considered a categorically eligible household such as:

- 1. Ineligible students;
- 2. Ineligible aliens;
- 3. Ineligible able-bodied adult without dependents; and,
- 4. Ineligible due to work registration disqualification (not signing the HCS-543A, Work Registration form).

Retirement, Survivors and Disability Insurance (RSDI) coded 'SS' and State Supplemental income coded 'ST' are not considered SSI and do not deem categorical eligibility. Individuals receiving 1619B benefits do not receive a cash benefit and do not qualify for categorical eligibility

### TANF DISQUALIFICATION

When an individual is disqualified from TANF or Tribal TANF for any reason other than ineligible alien, the individual is no longer categorically eligible. Generally, the household is no longer categorical eligible.

When a 'DQ' for a sanction is entered on the AF SEPA screen for an individual with an 'IN' code on the FS SEPA screen, the 'Y' indicator must be changed to 'N' on the EXRF screen. All food stamp eligibility factors must be reviewed. All individuals who remain coded 'IN' on AF SEPA are categorically eligible **individuals**.

### TEAMS CODING

If a **household** meets the criteria of a categorical household, the OPA Case Manager enters a 'Y' in the 'categorically eligible' field on the Food stamp Resource Determination screen (EXRF). If the **household** does not meet categorical eligibility enter 'N' in this field.

TEAMS currently counts the resources for categorically eligible individuals. If a non-categorically eligible household incorrectly fails the resource test, the OPA Case Manager must use the TEAMS work around (FS 400) until a TEAMS enhancement is completed.

**VERIFICATION  
NOT REQUIRED**

A categorical eligible **household** is not required to pass the gross or net income test. Resources, Social Security number, residency and sponsored alien information for household member(s) are verified by another program and are not required to be verified again.

**COMBINED TANF/  
FOOD STAMP  
APPLICATION  
PROCESSING**

If the household is eligible for food stamps without being coded categorically eligible, process the application coding the household NOT categorically eligible. Set an alert to update 'N' to a 'Y' when TANF, Tribal TANF or SSI is approved.

If a household is not entitled to expedited services and is ineligible for food stamps without being coded categorically eligible, delay processing the application until TANF, Tribal TANF, or SSI eligibility is determined. The delay may not exceed the 30-day processing period.

If TANF, Tribal TANF, or SSI eligibility is not determined within 30 days of original application date, the household is not categorically eligible. The TEAMS notice of denial must inform the household of the need to request re-evaluation if they are approved for TANF, Tribal TANF or SSI based on the original application for food stamps. If the household contacts the OPA or the OPA becomes aware of approval of TANF, Tribal TANF, or SSI within 30 days following the date the denial notice was sent, food stamp benefits are paid from the date TANF, Tribal TANF or SSI benefits are paid, or the date of the original food stamp application whichever is later.

The OPA Case Manager must review the original application as well as any pertinent changes that have taken place since the application was filed. Do NOT require the household to be interviewed again. However, information must be updated on TEAMS, any changes on the application must be initialed, and the updated application signed again.

**NOTE:** Tribal TANF and SSI do not have combined applications with Food Stamps. Therefore, the above information applies when notification of Tribal TANF or SSI approval is received.

**EVALUATING  
CATEGORICAL  
ELIGIBLE  
STATUS**

In addition to evaluation at application and recertification, categorical eligibility status must be evaluated when any of the following changes occur:

1. TANF, Tribal TANF or SSI benefits are terminated;
2. A household member is disqualified from TANF or Tribal TANF;
3. FS SEPA codes are changed; or,
4. A new member is added or removed.

**EXAMPLES**

**Example 1:** The household consists of Mom, her three minor children, and her boyfriend who is not the father of any children. Mom and her children are receiving TANF. The boyfriend is a required food stamp filing unit member due to purchasing and preparing food with the rest of the household. All five household members are coded 'IN' on FS SEPA. Mom and her three children are coded 'IN' on AF SEPA. The household is not categorically eligible but mom and the three children are categorically eligible individuals. Their resources are excluded when determining food stamp eligibility. The OPA Case Manager enters 'N' in the 'categorically eligible' field on the EXRF screen.

If the household fails the food stamp resource test when all household members' resources are listed on TEAMS, the OPA Case Manager must follow the work around procedure outlined in FS 400. If the work around is used, the OPA Case Manager must retest the case each time resources are updated, a household member is disqualified, food stamp household members change, FS SEPA codes are changed, or the case is recertified.

**Example 2:** Mom, Dad, their two children (20 yr old son and 17 year old daughter) are required food stamp filing unit members. Mom, Dad and minor child are on TANF. Son is an ineligible student.

Household is categorically eligible for food stamps. The OPA Case Manager enters a 'Y' in the 'categorically eligible' field on the EXRF screen.

If the son was disqualified due to an IPV, the household would not be categorically eligible. The OPA Case

Manager enters 'N' in the 'categorically eligible' field on the EXRF. Since mom, dad and daughter are receiving TANF their resources are excluded when determining the resource test. If the household fails the food stamp resource test when all household members' resources are listed on TEAMS, the OPA Case Manager must follow the work around procedure outlined in FS 400. The household is ineligible if the son's resources exceed the resource limit.

**Example 3:** Household consists of mom, her child and her boyfriend. Mom and her child receive TANF and all three individuals receive food stamps. The household is not categorically eligible. The boyfriend's resources do not exceed the standard, and the household passes the resource test. The OPA Case Manager enters 'N' in the 'categorically eligible' field on the EXAD screen.

Two months later the boyfriend moves out and applies for food stamp benefits on his own case. The household becomes categorically eligible. The OPA Case Manager updates the EXAD screen to a 'Y' in the 'categorically eligible' field.

Department of Public Health  
and Human Services

Section:  
RESOURCES

FOOD STAMP PROGRAM

Subject:  
Overview

**Supersedes:** FS 400 (10/01/04), Bulletin FS 53 (07/23/07)

**References:** 7 CFR 273.8; 7 CFR 273.10(b); 7 CFR 273.12(a)(3)

GENERAL RULE -- The filing unit's resource eligibility is determined by evaluating the resources of each member. All resources owned by the filing unit must be evaluated for ownership, accessibility, value, and exclusion status.

Resource eligibility is determined by evaluating the household's current and anticipated circumstances based on reasonable expectations and knowledge of its financial circumstances. The result accurately reflects all facts and the projection of resource eligibility through the certification or six month report period.

## RESOURCE LIMITS

The maximum allowable resources including both liquid and non-liquid resources of all household members cannot exceed \$3,000 for households that include a member(s) age 60 or over or include a disabled household member(s); the maximum allowable resources for all other households cannot exceed \$2,000.

► **NOTE:** Households with an elderly or disabled member coded 'DF', 'DQ', or 'DS' are subject to a \$2,000 resource limit.

**Categorically eligible households** are not subject to a resource limit (FS 304-1). The OPA Case Manager must enter a 'Y' indicator on the EXRF screen for categorically eligible households. When the household is no longer categorically eligible, the OPA Case Manager must change the 'Y' indicator on EXRF.

## RESOURCES OF CATEGORICALLY ELIGIBLE INDIVIDUALS

**Categorically eligible individuals'** resources are excluded FS (304-1).

The following work around must be used until a TEAMS enhancement is completed:

1. If the household includes a categorically eligible member(s) and fails the resource test, code the categorically eligible member(s) 'OU' on FS SEPA and test for resource eligibility. If the case still fails the resource test, deny or close the case. If the case passes the resource test, return to FS SEPA, code the categorically eligible member(s) 'IN', and code the case as categorically eligible on EXRF.



2. Document on a TEAMS case note explaining the case is not actually “categorically eligible” and the reason for the work around.

**RESOURCES OF  
DISQUALIFIED/  
INELIGIBLE  
INDIVIDUALS**

Resources of disqualified or ineligible filing unit members (coded ‘DQ’, ‘DF’, or ‘DS’ on FS SEPA) are countable unless the resource is excluded by policy.

**NOTE:** Resources of an alien’s sponsor and sponsor’s spouse (if living with the sponsor) are deemed manually (FS 301-3).

**DATE OF  
RESOURCE  
ELIGIBILITY  
APPLICATION/  
RECERTIFICATION**

Resources available at the time the household is interviewed are used to make the resource determination. Changes in resources that occur or are reported after the interview but prior to the approval or denial of the application/recertification are disregarded for the month of application. The changes must be considered in determining resource eligibility for the second month’s benefit unless the second month’s benefit was already issued or time lines do not allow for an adverse action notice to be sent to the household (FS 104-1).

**Example 1:** Household applies for food stamps and Medicaid on July 1st and is interviewed on July 7th. Its resources on July 7th are \$3,200. Before the OPA Case Manager denies the application, the household verifies their resources are \$1,500 as of July 22nd.

Since resources are within the allowable limit within 30 days of application, the household must be interviewed and resource eligibility determined as of the new interview date. Food stamp benefits are prorated from the date the household re-signs the application, and the application is date-stamped again on July 22nd.

The OPA Case Manager sends a notice of denial for the July 1st application date, and a notice of approval for the July 22nd application. The notices cannot be combined but can be sent to the household on the same day.

The Medicaid application is approved for the month of July if the household verifies the change in resources and is otherwise eligible.

**Example 2:** Household applies and is interviewed for food stamp benefits and Medicaid on July 5th with resources of \$1,200 on that date. Before the OPA Case Manager approves the application, the household reports and verifies on July 15th they were given a 2001 Ford truck not excluded by policy.

The application must be approved effective July 5th for food stamps based on the resources available at the time of the interview.

Food stamp benefits close effective July 31st with timely notice of closure provided to the household.

If otherwise eligible, Medicaid is approved effective July 1st because the household met the resource standard at one point during the month.

**CURRENT  
MONTH  
INCOME**

Income received in the month is excluded as a resource in the month it is received. If the income is deposited into a bank account, it is excluded as a resource in the month received but is countable for future months.

**TEAMS  
CODING**

All resources, even if they are excluded per policy, are entered on the appropriate TEAMS screens (FIAC, LIAS, OTAS, and VEHI). Enter all resource data for each filing unit member using the appropriate type codes. Some type codes are program specific and resource data may have to be entered more than once with different type codes for TEAMS to count it appropriately for each program. TEAMS processes the resource data entered and displays the countable resource determination amount on EXRF.

When changes are made to the financial screens, eligibility must be redetermined by entering through EXRF. If benefits are authorized for the current benefit month, changes to the financial screens will deauthorize the benefit requiring the OPA Case Manager to authorize the benefit again.

TP

Department of Public Health  
and Human Services

Section:  
RESOURCES

FOOD STAMP PROGRAM

Subject:  
Alpha Index

**Supersedes:** FS 400-1 (10/01/04)

Resource Type	Manual Section	Comments
Accessibility; Resources	401-1, pgs 2-5	
Accessibility; Trust Fund	402-3, pgs 2-3	
Accessibility; Vehicles	403-1, pgs 2-3	
Agent Orange	402-1, pg 1	
Aleuts	402-1	Listed under 'Restitution', pg 13 and 'Wartime Relocation', pg 14.
Alien's Sponsor's Resources	402-1, pg 1	
Annuities	402-1, pgs 1-2	
Basic Maintenance Items	402-1, pg 2	
Beneficiary Trust Definition	402-3, pg 1	
Bonds	402-1, pg 2	
Burial Exclusions	402-1, pg 2	
Burial Space/Plot	402-1, pg 2	
Business Asset Development Account	402-1, pgs 2-3	
Business Checking Account	402-1, pg 3	
Business/Farm Equipment	402-1	See 'Property/Equipment Necessary for Employment', pg 12; and 'Income Producing Property', pg 7.
Camper	402-1, pg 3	See also 'Vehicles' 403-1.
Cash on Hand	402-1, pg 3	
Categorically Eligible Household; Resources	400, pg 1	
Categorically Eligible Individual	400, pgs 1-2	
Certificate of Deposit (CD)	402-1, pg 3	
Changes in Resources - Month of Application	400, pgs 2-3	
Commingling - Excluded & Non-Excluded Funds	401-1, pg 5	
Contract for Deed	402-1, pg 4	
Countable Vehicles	403-1, pg 6	
Credit Union Accounts	402-1, pg 4	

Section: RESOURCES

Subject: Alpha Index

Resource Type	Manual Section	Comments
Crime Victim Compensation Act	402-1, pg 4	
Current Month's Income	400, pg 3	
Date of Resource Eligibility	400, pgs 2-3	
Deductions from Military Pay	402-1, pg 4	
Disaster/Emergency Assistance	402-1, pg 4	
Disputed Accessibility	401-1, pgs 3-4	
Disqualified/Ineligible Member's Resources	400, pg 2	
Duplicate Vehicles	403-1, pg 3	
Earned Income Tax Credit (EITC)	402-1, pgs 4-5	See also 'Earned Income' 502-1.
Educational Income	402-1, pg 5	See 'Educational Income' 504-1.
Educational Savings Plan	402-1, pg 5	
Equity Value; Resource	401-1, pg 5	
Equity Value; Vehicle	403-1, pg 4	
Excluded Resources, Treatment of	401-1, pg 5	
Excluded Vehicles	403-1, pgs 5-6	
Fair Market Value; Vehicle	403-1, pgs 3-4	
Family Self-Sufficiency Escrow Account	402-1, pgs 5-6	
Farm Equipment	402-1	See 'Property/Equipment Necessary for Employment', pg 12 and 'Income Producing Property', pg 7.
Federal, State or Local Energy Assistance	402-1, pg 6	
Financial Aid		See 'Educational Income' 504-1.
Fire or Casualty Insurance Proceeds	402-1, pg 6	
Funds Prorated as Income	401-1, pg 5	
Funeral Agreements	402-1	Listed under 'Burial Exclusion', pg 2.
Grantor Trust Definition	402-3, pg 1	
Health Care Improvement Act of 2000	402-1 pg, 6	
Home and Surrounding Property	402-1, pgs 6-7	
HUD Self-Sufficiency Accounts	402-1	Listed under 'Family Self-Sufficiency Escrow Accounts', pgs 5-6.
Inaccessible Resources	401-1, pgs 4-5	
Income Producing Property	402-1, pg 7	
Income Tax Refund	402-1, pg 8	Listed under 'Lump Sum Payments'.

Section: RESOURCES

Subject: Alpha Index

Resource Type	Manual Section	Comments
Indian Lands	402-2, pg 5	
Individual Development Account	402-1, pg 7	
Individual Indian Money (IIM) Accounts	402-2, pg 5	
Individual Retirement Account (IRA)	402-1, pg 7	See also 'Keogh Plan', pg 8 and 'Pension Plans', pgs 10-11.
Insurance Proceeds	402-1, pg 6	Listed under 'Fire or Casualty Insurance Proceeds'.
Items of Unusual Value	402-1, pg 7	
Japanese Ancestry	402-1	Listed under 'Restitution', pg 13 and 'Wartime Relocation', pg 14.
Jointly-Owned Resources	401-1, pgs 1-2	
Jointly-Owned Vehicles	403-1, pg 1	
Keogh Plans	402-1, pg 8	See also 'Individual Retirement Accts', pg 7 and 'Pension Plans', pgs 10-11.
Knowledgeable Source; Vehicle	403-1, pgs 4-5	
Land	402-1, pg 8	See also 'Home and Surrounding Property', pgs 6-7.
LIEAP	402-1, pg 6	Listed under 'Federal, State or Local Energy Assistance'.
Life Estates	402-1, pg 8	
Life Insurance	402-1, pg 8	
Livestock	402-1, pg 8	
Loans Given By the Household	402-1, pg 8	
Loans Received By the Household	402-1, pg 8	
Lump Sum Payments	402-1, pg 8	
Medicaid Qualifying Trust	402-3, pg 3	
Military Re-enlistment Bonuses	402-1, pg 9	
Mineral Rights	402-1 pg 9	
Native American Resources	402-2	
Nazi Persecution Restitution	402-1, pg 13	Listed under 'Restitution'.
Older Americans Act	402-1, pg 10	
Overview	400	
Ownership, Resource	401-1, pg 1	
Pension Plans or Funds	402-1, pgs 10-11	See also 'Individual Retirement Accts' pg 7 and 'Keogh Plans', pg 8.
Personal Checking Account	402-1, pg 11	

Section: RESOURCES

Subject: Alpha Index

Resource Type	Manual Section	Comments
Personal Goods & Household Effects	402-1, pg 2	Listed under 'Basic Maintenance Items'.
Plan for Achieving Self-Support (PASS)	402-1, pg 11	
Prepayment of Mortgage or Rent	402-1, pg 12	
Promissory Note	402-1, pg 12	
Property/Equipment Essential for Employment	402-1, pg 12	See also 'Income Producing Property', pg 8.
Property in Probate	402-1, pg 12	
Radiation Exposure Payments Compensation	402-1, pg 12	
Real Property Listed for Sale	402-1, pgs 12-13	
Resource Limits	400, pg 1	
Resources used as Collateral (Business Loan)	402-1, pg 13	
Resources used as Collateral (Personal Loan)	402-1, pg 13	
Restitution	402-1, pg 13	
Retirement Accounts	402-1	Listed under 'Individual Retirement Accts', pg 7 and 'Keogh Plans', pg 8 and 'Pension Plans or Funds, pgs 10-11.
Retroactive Social Security Payments	402-1, pg 8	Listed under 'Lump Sum Payments'.
Safety Deposit Box	402-1, pg 13	
Sale of a Resource	402-1, pg 14	
Savings Account	402-1, pg 14	
Savings Offer Success	402-1, pg 14	
Security Deposits	402-1, pg 14	
Self-Sufficiency Accounts from HUD	402-1, pgs 5-6	Listed under 'Family Self-Sufficiency Escrow Accounts'.
Special Needs Trusts	402-3, pg 3	
Spina Bifida	402-1, pg 14	
Stocks	402-1, pg 14	
Support Agreements	402-3, pg 2	
Trailers	402-1, pg 14	
Treatment of Excluded Resources	401-1, pg 5	
Trust Definition	402-3, pg 1	
Trust Funds	402-3	

Section: RESOURCES

Subject: Alpha Index

Resource Type	Manual Section	Comments
Trustee Definition	402-3, pg 1	
Vehicles	403-1	
Wartime Relocation	402-1, pg 14	

TP

Department of Public Health  
and Human Services

Section:  
RESOURCES

FOOD STAMP PROGRAM

Subject:  
Ownership/Accessibility/Equity Value

**Supersedes:** FS 401-1 (11/01/01)

**References:** 7 CFR 273.8; Waiver Terms and Conditions

GENERAL RULE -- A resource is real or personal property with monetary value. Resources include but are not limited to cash, savings, investments, house, land, vehicles, etc. The filing unit's resources are evaluated for ownership, accessibility, and equity value.

## OWNERSHIP

Ownership of a resource is determined by the:

1. Name(s) on the account, title, deed, contract, etc.;
2. Source(s) of the funds in the account;
3. Purpose the account/investment was opened; and,
4. Activity of the account/investment.

If the title, deed, contract, account, etc., has only one name listed, the resource belongs to that individual. If more than one name is listed, it is a jointly-owned resource.

## JOINTLY-OWNED RESOURCES

Resources owned jointly with someone outside the FS filing unit must be evaluated to determine accessibility to the household.

**NOTE:** Always code joint resources owned with someone outside the home or with a filing unit member whose participation code is 'DP' against the 'IN' participant on FS SEPA screen. This assures the resources are counted correctly.

Consider 100% of the resource available to the household **unless** the:

1. Household can demonstrate it only has access to a portion of the resource. The value of the portion available to the household is counted as a resource.

Jointly-owned liquid resources (e.g., bank accounts, CDS, etc.) are fully accessible until all filing unit members' names are removed or access to the resource is restricted. A resource is inaccessible to a household member if access is



restricted by an agreement between the joint-owners. See **Example 3** on page 5 in this section;

**NOTE:** When a household member removes their name from an *accessible* jointly-owned liquid resource, the action must be evaluated for a possible transfer of resources disqualification (FS 404-1).

2. Resource cannot be practically subdivided and the household's access to the resource is dependent on the agreement of a joint-owner who refuses to comply; or,
3. Resources are jointly-owned by a household residing in a shelter for battered adults and children and the member(s) of the former household and access to the value of the resources are dependent on the agreement of the joint-owner still residing in the former household.

## ACCESSIBILITY

Resources other than vehicles are accessible when the household member is not restricted from accessing the resources regardless of who deposited the funds.

### Accessibility Examples:

**Example 1:** Beth has access to her mother's savings account. Both names appear on the account title (jointly-owned). Her mother does not live with her. Beth claims she has never deposited any of her own money in the account nor has she used the monies for her own benefit. Collateral evidence (bank statements, etc.) substantiates her claim.

The full account value is considered accessible unless Beth's name is removed or the account is restricted (see **Example 3** on page 5).

**Example 2:** Mary owns a house with her estranged husband. Both names are on the deed. She does not live in the house; he lives in the house.

If legal proceedings began, the house is an inaccessible resource to Mary; code 'IA' on OTAS.

If legal proceedings have not begun, the value of the house is a countable resource to Mary. However, a

Section: RESOURCES

Subject:  
Ownership/Accessibility/Equity Value

written statement from her spouse can be used to determine if the house is inaccessible to her.

**Example 3:** Sandy owns land (real property) with her brother. She does not live on the land.

The value of the land is a countable resource. If Sandy's brother provides a written statement he is unwilling to sell the land, it is considered inaccessible to Sandy.

### **DISPUTED ACCESSIBILITY**

Accessibility of the resource must be evaluated when the resource is jointly-owned or the household rebuts ownership and/or accessibility. Verification such as bank statements, agreements, deeds, titles, or other collateral statements of ownership and/or accessibility is required. The household member's statement alone is not sufficient verification.

### **INACCESSIBLE RESOURCES**

A resource is considered inaccessible if the sale or disposition are not likely to produce any significant return. When determining whether the resource is likely to produce a significant return, consider the ownership interest, the cost of selling, and the market value. A resource is identified inaccessible if its sale or other disposition is unlikely to produce any significant amount of funds for the support of the household; code 'IA' on OTAS.

**NOTE:** This provision does not apply to stocks, bonds and other negotiable financial instruments.

**Significant Return** is any return estimated to be more than \$1,500 after estimated costs of sale or disposition and taking into account the ownership interest of the household.

**Significant Amount** is funds amounting to more than \$1,500.

**NOTE:** Verification of inaccessibility or value of the resource is not required unless the information provided is questionable.

### **Accessible/Inaccessible Resources Examples:**

**Example 1:** When an individual's name is listed on the account **only** as a signatory (e.g., POA, trust conservator, non-profit organization volunteer, etc.) and not on the title of the account as a joint-owner, the resource is excluded. Verification must be obtained from the bank when questionable.

Section: RESOURCES

Subject:  
Ownership/Accessibility/Equity Value

**Example 2:** A joint account can be excluded if the account requires two signatures to withdraw funds and the non-household member writes a statement indicating they will not allow withdrawal for personal use by the FS household member. If funds are withdrawn later for the FS household, the funds are income (contribution).

**Example 3:** Mom has an account with a \$10,000 balance of only her funds. Her daughter's name is on the account for survivor purposes. The account can be inaccessible to the daughter if she and mom have an agreement she will not access the account (is considered restricted) except upon her mom's death.

**EQUITY VALUE**

Subtract the amount owed from the fair market value of the resource to determine equity value. Only the equity value of an accessible resource is counted toward the resource limit, and is the amount entered on TEAMS. The full value is only entered when all liens or debts against the resource are paid in full.

**TREATMENT  
OF EXCLUDED  
RESOURCES**

Excluded funds kept in a separate account retain the resource exclusion as long as they remain in a separate account.

**COMMINGLING  
OF EXCLUDED &  
NON-EXCLUDED  
FUNDS**

Excluded funds commingled with non-excluded funds retain their exemption for six months from the date they are commingled (deposited). After six months from the date of commingling, all funds in the account are counted as a resource.

**FUNDS  
PRORATED  
AS INCOME**

Only self-employment and educational funds prorated as income retain their exclusion for the time they were prorated as income even if the funds are commingled.

**Example:** A farmer sells his crops in August for \$12,000. The proceeds are intended to support his family for a year. Prorate the \$12,000 as income, \$1,000 per month. The \$12,000 (even if commingled) is excluded as a resource for the one year period.

TP

o O o

Department of Public Health  
and Human Services

Section:  
RESOURCES

FOOD STAMP PROGRAM

Subject:  
Countable and Excluded Resources

**Supersedes:** FS 402-1 (04/01/05)

**References:** 7 CFR 273.8

GENERAL RULE -- The equity value of all resources (real and personal property) owned by the filing/assistance unit is countable unless specifically excluded by regulation. Some resources may be excluded if they are evaluated and determined inaccessible.

**AGENT ORANGE** Payments under the Agent Orange Compensation Act (P.L. 101-201) are excluded; code 'OX' on LIAS.

**EXCEPTION:** P.L. 102-4, Agent Orange Act of 1991, authorized veterans' benefits to some veterans with service connected disabilities resulting from exposure to Agent Orange. These VA payments are **NOT** excluded; code 'OT' on LIAS.

**ALIEN'S SPONSOR'S RESOURCES** The income and resources of the alien's sponsor and sponsor's spouse are deemed (FS 301-3) available to the sponsored alien (refugees do not have sponsors); code 'AS' on OTAS until the alien:

1. Has obtained U.S. citizenship through naturalization; or,
2. Has worked 40 qualifying quarters.

**EXCEPTION:** The income and resources of the alien's sponsor are not deemed when determining eligibility and the benefit amount for an immigrant child who is under 18 years old.

**ANNUITIES** Annuities are contracts or agreements providing for the payment of income at regular intervals (e.g., monthly, quarterly, annually, etc.). The resource is coded based on the source of the annuity using the appropriate resource code on TEAMS.

If payments are made from the annuity, the annuity is excluded as a resource; however, the payments must be evaluated as unearned income.

Section:  
RESOURCES

Subject:  
Countable and Excluded Resources

If payments are not made, the annuity must be evaluated to determine its accessibility. It is necessary to establish the source of the annuity (e.g., contract for deed, lawsuit settlement, mineral rights, etc.) to determine whether or not it is a countable resource.

**BASIC  
MAINTENANCE  
ITEMS**

Basic maintenance items, also known as, household goods and personal effects, are excluded. The items are essential for day-to-day living such as clothes, jewelry, furniture, and other similar items of value including a home computer and satellite TV dish; code 'OX' on OTAS.

**BONDS**

Bonds including United States savings bonds and Treasury bills, notes, and bonds are countable; code 'BO' on LIAS.

Contact a securities dealer to determine the value of a government bond. A value of the bond can be provided if the bond can be cashed.

**NOTE:** If the bonds are physically held by a joint-owner refusing to surrender possession of the bonds to the household, the bonds are inaccessible and are excluded because the bonds must be presented to cash them.

**BURIAL  
EXCLUSIONS**

One accessible bona fide, pre-paid funeral agreement per household member up to \$1,500 is excluded; code 'BE' on OTAS.

In the event the equity value exceeds \$1,500, for whatever reason, only the amount above \$1,500 including interest is counted; code 'BA' on OTAS.

If a burial contract is inaccessible, it is treated in the same manner as an inaccessible trust fund (FS 402-3).

**BURIAL  
SPACE/PLOT**

The value of one burial space for each filing unit member is excluded; code 'BE' on OTAS.

**BUSINESS ASSET  
DEVELOPMENT  
ACCOUNT (BADA)**

BADA is excluded; code 'OX' on FIAC.

The account must be restricted as follows:

1. Established in the name of the individual and Capital Opportunities or other lending agency;
2. Used for business development such as purchase of assets, operation, maintenance, etc.;
3. Funds disbursed by direct vendor payments; and,

Section:  
RESOURCES

Subject:  
Countable and Excluded Resources

4. Any funds disbursed to the individual must be counted as a resource in the month received and any other assets counted according to current policy if the business fails.

### **BUSINESS CHECKING ACCOUNT**

Money in a business checking account is a countable resource, but the self-employment funds prorated as income are excluded as a resource. The self-employment funds prorated as income retain their exclusion for the time they are prorated as income even if the funds are commingled. The portion of the funds prorated as self-employment income is coded 'BC' on FIAC.

**Example:** Ben receives earnings from regular employment and a self-employment auto repair business; Mary receives earnings from self-employment selling Avon. They have a joint business checking account used for both businesses.

The auto repair self-employment income correctly calculated from tax forms is  $\$358.25 \times 12 = \$4,299.00$ , and Avon self-employment income correctly calculated from tax forms is  $\$30.66 \times 12 = \$367.92$ . Total combined annual self-employment earnings =  $\$4,666.92$

Only the amount exceeding  $\$4,666.92$  in the business checking account is a countable resource.

### **CAMPER**

Campers not manufactured with the intent of providing transportation such as camper trailer, pick-up topper, etc. are excluded; code 'UV' on OTAS.

### **CASH ON HAND**

Cash on hand is countable; code 'CA' on LIAS.

If the cash on hand is income in the month received, it is excluded as a resource the month received.

### **CERTIFICATE OF DEPOSIT (CD)**

A certificate of deposit is countable. The value of a certificate of deposit is the net amount received after penalties for early withdrawal; code 'CD' on LIAS.

**EXCEPTION:** If the CD was purchased with funds prorated as self-employment income, it is excluded as long as it is a short-term CD expiring before the end of the period that the self-employment income was prorated.

### **CONTRACT FOR DEED**

The value of a contract for deed is excluded providing the contract is valid, the terms are being met, and the contract is producing income consistent with the fair market value of the property sold. Some things to

Section:  
RESOURCES

Subject:  
Countable and Excluded Resources

consider when determining fair market value: the property location, condition of the property, and interest rate.

The exclusion applies to the value of the property being sold under the contract or being held as security in exchange for a purchase price consistent with the fair market value of that property.

**Example:** The household sold its house for \$100,000 on a contract for deed. The fair market value of the home is determined to be consistent with the fair market value of homes in the area. The payment on the contract for deed is \$800 monthly. The income is consistent with the fair market value.

The contract for deed is excluded as a resource. The payments are countable (FS 501-1) after the allowable costs of doing business are deducted.

#### **CREDIT UNION ACCOUNTS**

Credit union accounts are countable; code 'CU' on FIAC.

#### **CRIME VICTIM COMPENSATION**

Crime Victim Compensation Act payments (P.L. 103-322 ) are excluded; code 'OX' on LIAS.

#### **DEDUCTIONS FROM MILITARY PAY**

Mandatory deductions from military pay for educational purposes (GI Education Fund) while the recipient is enlisted (P.L. 99-576) are excluded; code 'OX' on LIAS.

#### **DISASTER & EMERGENCY ASSISTANCE**

Funds issued as a result of a Presidential declared disaster (P.L. 100-707) or a result of a major disaster or emergency under the Disaster Relief and Emergency Assistance Amendments of 1988 are excluded; code 'OX' on LIAS.

Exclude governmental disaster payments designated for restoration of a home damaged in a disaster if the household is subject to legal sanction if funds are not used as intended. This includes some, but not all, Federal Emergency Management Agency (FEMA) payments.

#### **EARNED INCOME TAX CREDIT (EITC) AND CHILD TAX CREDIT**

EITC and Child Tax Credit, received as an advance payment or as a refund, are excluded as a resource in the month received and the month following receipt; code 'OX' on LIAS.

**EXCEPTION:** Any federal, state or local EITC and/or Child Tax Credit received by any household member is excluded for 12 months provided the household:

Section:  
RESOURCES

Subject:  
Countable and Excluded Resources

1. Was participating in the Food Stamp Program at the time of EITC and/or Child Tax Credit receipt; and,
2. Participates continuously during that 12-month period.

**NOTE:** Breaks in participation of one month or less due to administrative reasons are not considered as non-participation in determining the 12-month exclusion.

**► EDUCATIONAL  
INCOME AND  
LOANS**

(FS 501-1)

**EDUCATIONAL  
SAVINGS PLANS**

'529 Plans' are education savings plans. They are to save money for college through tax-exempt savings. An account owner has to be designated. The person who sets up the account can be the owner or another person can be designated as the owner by the person setting up the account.

If the owner is a member of a food stamp household, the plan is a resource. The owner can take money out of the 529 Plan for any purpose. The value of the account is the net amount received after penalties for early withdrawal.

If the owner transfers ownership to a non-household member, the transfer must be evaluated as a resource transfer (FS 404-1).

If the owner is not a member of the food stamp household, the resource is excluded.

**FAMILY SELF-  
SUFFICIENCY  
ESCROW  
ACCOUNTS**

Funds held in an escrow account during the household's participation in a Department of Housing and Urban Development (HUD) Family Self-Sufficiency Program (FSSP) are excluded; code: 'OX' on FIAC.

Funds may be withdrawn from the escrow account with the permission from public housing authority for purposes related to the goal of the FSSP contract. This could include completion of higher education, job training, to meet start up expenses involved in new small business, etc.

Since the funds in the escrow account as well as any funds withdrawn from it before completing the program are not available to buy food, the



Section:  
RESOURCES

Subject:  
Countable and Excluded Resources

escrow account is inaccessible and excluded from resources. The funds are also excluded as income.

**FEDERAL, STATE,  
or LOCAL ENERGY  
ASSISTANCE  
PAYMENTS**

Energy assistance payments or allowances made for the purpose of providing energy assistance under any federal law including utility reimbursements made by Department of Housing and Urban Development and the Farmers Home Administration are excluded; code 'OX' on LIAS.

Low Income Energy Assistance Program (LIEAP) payments or allowances are excluded; code 'OX' on LIAS.

**FIRE or CASUALTY  
INSURANCE  
PROCEEDS**

Proceeds from a private insurance company are counted as a resource.

If counted as income in the month received, the funds are counted as a resource the month following receipt.

See '**Disaster and Emergency Assistance**' in this section.

**HEALTH CARE  
IMPROVEMENT  
ACT OF 2000**

Payments for the children of women Vietnam veterans who suffer from certain birth defects are excluded from income and resources.

**HOME AND  
SURROUNDING**

Home and surrounding property which is not separated from the home by intervening property owned by others is excluded; code 'HM' on OTAS.

Public rights of way, such as roads running through the surrounding property, do not affect the exclusion of the property.

An exclusion for a vacated home continues as long as the household has intent to return and the home is temporarily unoccupied due to:

1. Employment;
2. Training for future employment;
3. Illness; or,
4. Unlivable conditions caused by casualty or natural disaster.

Households currently **not** owning a home but own or are purchasing a lot they intend to build or are building a permanent home, receive an exclusion for the value of the lot and the partially completed home; code 'HM' on OTAS.

Section:  
RESOURCES

Subject:  
Countable and Excluded Resources

### **INCOME PRODUCING PROPERTY**

Non self-employment income producing property (e.g., rental properties, vacation homes, land leases, etc.) is excluded if the property produces income consistent with its fair market value. The exclusion also applies to property used on a seasonal basis. Some things to consider when determining fair market value: the property location and condition of the property.

**Example:** A household has rental property. The amount of rent charged for the property must be consistent with the fair market value of the rental property in that area.

**For property used in a trade or business (e.g., farming), see 'Property/Equipment Necessary for Self-employment' in this section.**

### **INDIVIDUAL DEVELOPMENT ACCOUNT (IDA)**

An IDA may be established by or on behalf of an individual eligible for TANF. An IDA is created and funded through periodic IDA contributions by an individual and matched by or through a not-for-profit organization or a state or local government agency in cooperation with such organization. The purpose of the account is to enable an individual to accumulate funds for post-secondary education, first home purchase, or business capitalization.

Funds, including accrued interest, in the account are excluded as a resource as long as the individual maintains or makes contributions to the account. The Montana TANF-funded IDA is excluded when an individual becomes ineligible for TANF as long as the individual is still maintaining or making contributions into the account. Contributions are only matched when withdrawn for an allowable purpose. TANF-funded IDA is coded 'IT' and Demonstration Project IDA is coded 'ID' on FIAC.

### **INDIVIDUAL RETIREMENT ACCOUNT (IRA)**

Funds held in Individual Retirement Accounts (IRA's) are accessible to the household. The equity value (the cash value minus any early withdrawal penalty) of the IRA is countable; code 'IR' on FIAC.

### **ITEMS OF UNUSUAL VALUE**

Items of unusual value are excluded; code 'UV' on OTAS.

### **KEOGH PLANS**

Only KEOGH Plans held by a household member or in a contract between a household member and other individuals within the food stamp filing unit are countable; code: 'OF' on FIAC.

KEOGH plans held in a contractual arrangement with individuals outside the food stamp filing unit are excluded until the individual begins accessing the funds; code 'PE' on FIAC.

Section:

RESOURCES

Subject:

Countable and Excluded Resources

If an individual outside the filing unit is simply a beneficiary of the KEOGH, it is not considered a contractual relationship and the funds are countable.

**LAND**

Households currently **not** owning a home but own or are purchasing a lot they intend to build or are building a permanent home receive an exclusion for the value of the lot and the partially completed home; code 'HM' on OTAS.

**LIFE ESTATES**

All life estates are excluded; code 'LE' on OTAS.

Life estates are excluded as the home while the individual is living in the property; code 'HM' on OTAS.

**LIFE INSURANCE**

The face and cash value of all whole life insurance policies and term life insurance policies are excluded; code 'LI', equity value of \$0.00 on OTAS.

**LIVESTOCK**

The value of livestock used to produce income necessary for employment or raised for home consumption is excluded; code 'LV' on OTAS.

Livestock that are pets are also excluded.

**LOANS GIVEN BY THE HOUSEHOLD**

The full unpaid balance of the loan (debt owed) is a countable resource when the balance is accessible and can be readily liquidated.

**LOANS RECEIVED BY THE HOUSEHOLD**

Loans, including self-employment business loans and home equity loans, are counted as a resource in the month received, even if the household anticipates spending some or all of it in the same month. Any amount remaining after the month of receipt is counted as a resource until the money is spent.

**LUMP SUM PAYMENTS**

Nonrecurring lump sum payments including but not limited to income tax refunds, rebates, credits, retroactive lump sum public assistance, railroad retirement, retroactive lump sum insurance settlements, refunds of security deposits that can be accurately prospectively are countable resources in the month received and in subsequent months to the extent retained; code 'LS' on LIAS.

**MILITARY RE-ENLISTMENT BONUSES**

Military re-enlistment bonuses are paid in one of two ways: a lump sum; or up to 50% of the bonus amount as an initial payment with the remainder of the bonus paid in equal annual payments. It is up to the military service to decide which military grades/series receive re-enlistment bonuses and how much the re-enlistment bonus is. This means the Navy, Marines, Army, and Air Force can have their own policies regarding payment of re-enlistment bonuses. The OPA Case

Section:  
RESOURCES

Subject:  
Countable and Excluded Resources

Manager must verify what the payment policy is depending on the military service.

How the bonus is paid out determines how it is counted:

1. If a household receives a lump sum re-enlistment bonus, it is exempt from income as a non-recurring lump sum payment. The money is counted as a resource in the month it is received.
2. If a household receives up to half of the bonus pay as an initial payment with the remaining bonus paid in equal annual installments, the bonus is counted as earned income (FS 502-1).

## **MINERAL RIGHTS**

Mineral rights may be included with land ownership or owned separately. If surface rights of the same property are excluded (e.g., homestead) so are the mineral rights excluded.

If mineral rights are producing income under a lease agreement, the owner may be constrained from selling or otherwise disposing of the rights. If the land is already excluded (e.g., homestead) or the terms of the lease agreement do not allow sale, the mineral rights are excluded; code 'OX' on OTAS.

Determine the equity value by obtaining the fair market value from a knowledgeable source (e.g., brokers in the geographical area or companies leasing mineral rights) and subtracting the amount owed; code 'MR' on OTAS.

The value of leased mineral rights is excluded providing the leased mineral rights are producing income consistent with the fair market value of the lease. The mineral rights are excluded as a resource if they are producing income consistent with the fair market value. The fair market value is determined by what similar mineral rights in the area are earning.

Some acceptable forms of verification of mineral rights are deeds, lease agreements, titles, and homestead documents.

## **OLDER AMERICANS ACT**

Funds received by individuals age 55 and over under the Senior Community Services Employment Program payments P.L. 100-175, Section 166, Title V of Older Americans Act are excluded.

Programs funded under this Act include:

1. Green Thumb;
2. Forest Service;
3. American Association of Retired People (AARP);

Section:  
RESOURCES

Subject:  
Countable and Excluded Resources

4. National Council on Aging;
5. National Council of Senior Citizens; and,
6. Foster Grandparent Program.

#### **PENSION PLANS OR FUNDS**

The equity value (cash value minus any early withdrawal penalty) of the following financial accounts must be counted as a resource whether or not there is a penalty for early withdrawal:

1. Keogh Plans involving a contractual obligation with another household member;
2. Individual Retirement Accounts (IRA's); and,
3. Simplified Employer Pension Plans (SEPs are considered IRA's by banks and the IRS).

The following types of retirement savings and pension plans are excluded (list is not inclusive); code 'PE' on FIAC:

1. 457 Plans - plans for state and local governments and other tax-exempt organizations;
2. 401(k) Plans - generally a cash or deferred arrangement and generally limited to profit making firms;
3. Public Employee Retirement System (PERS);
4. Federal Employee Thrift Savings Plan;
5. Section 403(b) Plans - tax-sheltered annuities provided for employees of tax-exempt organizations and state and local educational organization;
6. Section 501(c)(18) Plans - retirement plans for union members consisting of employee contributions to certain trusts that must have been established before June 1959; and,
7. Keogh Plans involving a contractual obligation with someone who is not a household member.

**NOTE:** If the cash value of an excluded type of plan is rolled over into an IRA, the cash value loses its exclusion and becomes a countable resource following the rollover.

Section:  
RESOURCES

Subject:  
Countable and Excluded Resources

The exclusion continues until the individual begins accessing the funds, even if the funds are available if requested (e.g., retired or no longer works for the company).

Most employment related retirement accounts cannot be accessed until the employee is no longer employed with that particular business or entity. The funds are inaccessible while the individual continues employment; code 'MR' on FIAC.

### **PERSONAL CHECKING ACCOUNT**

A personal checking account is countable; code 'PC' on FIAC.

There is a two-step process to determine how much money in a checking account is counted toward the resource limit.

1. The current month's income deposited into the account is excluded. Any current month income deposited in the checking account is subtracted from the checking account balance.

No further action is needed if the household is resource eligible in step one. If the household remains resource ineligible, go to step two.

2. Evaluate the household's outstanding checks. If a check was written and sent to the payee even if it has not yet been cashed, the money is not available for other purposes. It is not counted toward the resource limit.

Self-employment or educational funds retain their exclusion for the time they are prorated as income even if the funds are commingled.

### **PLAN for ACHIEVING SELF-SUPPORT (PASS)**

Any income a SSI recipient places in an approved PASS account as well as, the PASS account, is excluded; code 'OX' on FIAC.

### **PREPAYMENT OF MORTGAGE or RENT**

Prepayment of an individual's mortgage is not a resource. Prepayment of rent, however, is a countable resource unless the individual cannot receive the money back under any circumstances (e.g., the lease agreement includes a no refund policy, or the landlord provides a statement stating the funds will not be returned to the renter).

### **PROMISSORY NOTE**

A promissory note is personal property (a liquid asset). An individual holds legal interest and has the legal ability to make available their share in the note. The equity value of the note (the principal reduced by any lien) is countable; code 'OT' LIAS.

Section:  
RESOURCES

Subject:  
Countable and Excluded Resources

**PROPERTY/  
EQUIPMENT  
NECESSARY FOR  
EMPLOYMENT**

Property/equipment necessary for employment to produce income is excluded; code 'TT' or 'FE' depending on the resource.

Self-employment/farm resources **may** include:

1. Tools/equipment such as those needed by a carpenter, mechanic, cosmetologist, etc.;
2. Stock such as, office supplies or raw materials;
3. Property essential for income production;
4. Office equipment such as, furniture, typewriters, calculators, etc.;
5. Inventory;
6. Machinery and equipment; and,
7. Other items needed to produce income.

Self-employment equipment is excluded if the individual intends to return to self-employment within a reasonable period of time.

Property essential to the self-employment of a household engaged in farming is excluded for only one year after the date the household stopped farming unless they have the intent to return to the business.

**PROPERTY IN  
PROBATE**

Property in probate is inaccessible and is excluded; code 'IA' on OTAS.

**RADIATION  
EXPOSURE**

Radiation Exposure Compensation Act payments (P.L. 101-425) are excluded; code 'OX' on LIAS.

**REAL PROPERTY  
LISTED FOR SALE**

Non-home real property when a good faith effort to sell the property is being made is excluded; code 'HS' on OTAS.

A good faith effort to sell could be:

1. Offering the property for sale through a general circulation newspaper or a real estate broker; and,
2. Advertised at a reasonable price.

**RESOURCES USED  
AS COLLATERAL  
(BUSINESS LOAN)**

If a non-liquid resource is used as collateral for a business loan and cannot be sold because of the security or lien agreement prohibition, the non-liquid resource is excluded.

If a liquid resource is used as collateral for a business loan, the equity value is counted as a resource.

Section:  
RESOURCES

Subject:  
Countable and Excluded Resources

### RESOURCES USED AS COLLATERAL (PERSONAL LOAN)

If an otherwise accessible resource, either liquid or non-liquid, is used as collateral on a personal loan, the equity value of that resource is counted as a resource.

**Example:** Household used a certificate of deposit (CD) valued at \$4,000 as collateral for a personal loan of \$3,000. They are prohibited from cashing in the CD during the duration of the loan. The CD's countable value is its equity value (fair market less encumbrances). The equity value of the CD is \$1,000 and is counted toward the resource limit. In this case, the CD's equity value is considered accessible because the household could default on the loan and receive the remaining balance of the CD.

If the CD had restrictions placed on it prohibiting the household from cashing it, the total value of the CD is considered inaccessible and is excluded as a resource.

### RESTITUTION

Restitution made to **ALEUTS relocated during World War II** as per the Civil Liberties Act of 1988 is excluded; code 'OX' on LIAS.

Restitution to individuals of **JAPANESE ancestry interned during World War II** as per the Civil Liberties Act of 1988 is excluded; code 'OX' on LIAS.

Restitution to individuals because of their status as victims of **Nazi Persecution** under P.L. 103-286 is excluded; code 'OX' on LIAS.

### SAFETY DEPOSIT BOX

There is no requirement to view the contents of an individual's safety deposit box. It is appropriate to ask what the contents are and request necessary verification. List the contents on TEAMS using the appropriate codes.

### SALE OF A RESOURCE

If a resource is sold and payment is received in a lump sum, it remains a resource.

If installment payments are made, the payments are income in the month received and are not counted as a resource until the month following receipt.

### SAVINGS ACCOUNT

Savings account is countable; code 'SV' on FIAC.

If the current month's income is deposited into the account, the income is excluded as a resource the month received when determining the current value of the savings account.



Section:  
RESOURCES

Subject:  
Countable and Excluded Resources

**SAVINGS OFFER SUCCESS (SOS)** Matching award payments by Rural Opportunities Incorporated (ROI) to individuals participating in a Savings Offer Success program are excluded; code 'OX' on LIAS.

**EXCEPTION:** Money deposited into a personal savings account is considered a resource. After the program is completed, the matching award is excluded as income and as a resource as a vendor payment.

**SECURITY DEPOSITS** Security deposits on rental property or utilities are excluded; code 'OX' on OTAS.

The exclusion applies to both landlords and tenants.

**SPINA BIFIDA** Payments to children of Vietnam veterans for disabilities resulting from spina bifida (P.L. 104-204) are excluded; code 'OX' on LIAS.

**STOCKS** Stocks and mutual fund shares are countable; code 'ST' on LIAS.

**TRAILERS** All trailers are excluded; code 'UV' on OTAS.

**WARTIME RELOCATION** Payments of 'Wartime Relocation of Civilians' to certain U.S. citizens of Japanese ancestry, resident Japanese aliens, and certain eligible Aleuts under Title I of P.L. 100-383 are excluded; code 'OX' on LIAS.

TP

Department of Public Health  
and Human Services

Section:  
RESOURCES

FOOD STAMP PROGRAM

Subject:  
Native American Resources

**Supersedes:** FMFS 402-2 (05/01/00)

**References:** 7 CFR 273.8

GENERAL RULE -- The equity value of all resources (real and personal property) owned by the filing/assistance unit are countable unless specifically excluded by regulation.

### COUNTABLE RESOURCES

Countable resources include but are not limited to:

1. Gravel sales;
2. Timber sales;
3. Estate payments;
4. Oil and gas bonus payments;
5. Mineral rights bonus payments;
6. Right-of-way payments;
7. Seismic payments;
8. Land sale proceeds (the land sale source may be sale of trust property or of countable fee patent (taxable) property); and,
9. Resources purchased with funds and are no longer clearly identifiable as excluded.

### EXCLUDED RESOURCES

Excluded Native American resources include:

The first \$2,000 received from Individual Interests in Indian Trust or Restricted Lands **per calendar year** is excluded.

**NOTE:** Excluded funds commingled with non-excluded funds retain their exemption for six months from the date they are commingled (deposited). After six months from the date of commingling, all funds in the account are counted as a resource.

The following are specifically excluded under federal statute; code 'OX' on LIAS.

1. P.L. 92-203, section 29, dated 12/76, (the Alaska Native Claims Settlement Act), and Section 15 of P.L. 100-241, 2/3/88, (the Alaska Native Claims Settlement Act Amendments of 1987) - All compensation (including cash, stock, partnership interest, land, interest in land, and other

benefits) received under this Act is excluded from income and resources.

2. Per capita payments of \$2,000 or less for each household member per payment. Purchases of \$2,000 or less made solely with funds distributed after December 31, 1981 but prior to January 12, 1983 are totally excluded from resources.

Purchases made after January 12, 1983 count in their entirety. (P.L. 93-134, P.L. 97-458 and P.L. 98-64.) These payments come from funds distributed as a result of judgment awards from breaches of treaty provisions and funds held in trust by the Secretary of the Interior from the sale or lease of oil, gas, and other tribal trust assets.

3. Per capita payments made under P.L. 98-124. Distributions to the Assiniboine Tribe of the Fort Belknap Indian Community, Montana, and the Assiniboine Tribe of the Fort Peck Indian Reservation, Montana.
4. Per capita payments made to the Chippewas of Mississippi under P.L. 99-377 and payments made to the Red Lake Band of Chippewa Indians under P.L. 98-123.
5. Per capita payments made to Sac and Fox Tribes of Oklahoma, Sac and Fox Tribe of the Mississippi in Iowa (P.L. 94-189); Chippewas of Lake Superior, Lac Courte Oreilles Reservation of Wisconsin, Bad River Band Reservation, Sokagon Chippewa Community of the Mole Lake Band of Chippewa Indians, St. Croix Chippewa Indians of Wisconsin (P.L. 99-146).
6. Payments to Indian Tribal members (P.L. 94-114, Section 6) regarding submarginal land held in trust by the U.S.
7. Reimbursements from the Uniform Relocation Assistance and Real Property Acquisition Policy Act of 1970 (P.L. 91-646, Section 216).
8. Payments from the disposition of funds to the Grand River Band of Ottawa Indians (P.L. 94-540).
9. Payments to the Yakima and Apache Tribes from the Indian Claims Commission as designated P.L. 95-433, Section 2.

## Section: RESOURCES

## Subject: Native American Resources

10. Payments made pursuant to the Maine Indian Claims Settlement Act of 1980 (P.L. 96-420, Section 9(c)).
11. Relocation assistance payments to Navajo and Hopi Tribe members under P.L. 93-531.
12. Payments to the Turtle Mountain Band of Chippewas, Arizona under P.L. 97-403.
13. Payments to the Blackfeet, Gros Ventre, Assiniboine Tribes, Montana, and the Papago, Arizona under P.L. 07-408.
14. Funds paid to heirs of deceased Indians under the Old Age Assistance Claims Settlement Act (except for per capita shares in excess of \$2,000).
15. Judgement awards to tribes in Wisconsin, Michigan, and Minnesota (P.L. 99-146).
16. P.L. 99-264, White Earth Reservation Land Settlement Act of 1985. Payments under this act were to members of the White Earth Band of Chippewa Indians in Minnesota.
17. Payments to the Saginaw Chippewa Indian Tribe of Michigan (P.L. 99-346).
18. Funds distributed per capita to the Chippewas of the Mississippi or held in trust under this Act. The funds are divided by reservation affiliation for the Mille Lac Reservation, Minnesota; White Earth Reservation, Minnesota; and Leech Lake Reservation, Minnesota (P.L. 99-377).
19. P.L. 101-41, the Puyallup Tribe of Indians Settlement Act of 1989, provides that nothing in this Act shall affect the eligibility of the Tribe or any of its members for any federal program. None of the funds, assets, or income from the trust fund established shall at any time be used as a basis for denying or reducing funds to the Tribe or its members under any federal, state, or local program. (The Puyallup Tribe is located in the State of Washington.)
20. P. L. 101-277, funds appropriated in satisfaction of judgments awarded to the Seminole Indians are excluded except per capita payments in excess of \$2,000. Payments were allocated to the Seminole Nation of Oklahoma, the Seminole Tribe of Florida, the Miccosukee Tribe of Indians of Florida, and the independent Seminole Indians of Florida.

21. P.L. 101-503, Seneca Nation Settlement Act of 1990, provides that none of the payments, funds or distributions authorized, established, or directed by this Act, and none of the income derived therefrom, shall affect the eligibility of the Seneca Nation or its members for, or be used as a basis for denying or reducing funds under, any federal program.

**INDIAN LANDS**

Indian (Native American) land held jointly with the Tribe or land that can only be sold with the approval of the Bureau of Indian Affairs is **excluded**. This includes any improvements to the excluded trust land; code 'IA' on OTAS.

**INDIVIDUAL  
INDIAN MONEY  
ACCOUNT**

IIM Account is countable; code 'IM' on LIAS.

**NOTE:**

Excluded funds that are commingled with non-excluded funds retain their exemption for six months from the date they are commingled (deposited). After six months from the date of commingling, all funds in the account are counted as a resource.

TP

o O o

Department of Public Health  
and Human Services

Section:  
RESOURCES

FOOD STAMP PROGRAM

Subject:  
Trust Funds

**Supersedes:** FS 402-3 (11/01/01)

**References:** 7 CFR 273.8

GENERAL RULE -- All trusts must be evaluated for their availability for the household's support and maintenance.

## DEFINITIONS

**Beneficiary:** The beneficiary is the individual designated in the trust instrument as benefitting in some way from the trust. The beneficiary can be the grantor or another individual.

**Grantor:** The grantor is the entity creating the trust. The grantor may be any person, including a court or administrative body, with legal authority to act on behalf of the individual; or any person including a court or administrative body, acting at the direction or request of the individual.

**Trust:** A trust is any arrangement a grantor transfers property (real or personal) with the intention that it be held, managed, or administered by a trustee(s) for the benefit of the grantor or other beneficiary(ies). Trusts are managed by individuals or entities with fiduciary obligations and may include but are not limited to:

1. Escrow accounts;
2. Investment accounts;
3. Future medical care accounts; and,
4. Other similar arrangements.

**Trustee:** A trustee is any individual(s) or entity (e.g., an insurance company or bank) managing a trust and having fiduciary responsibilities.

## SUPPORT AGREEMENTS

If any member of the filing unit has a written agreement stating another person, entity, or corporation agrees to support the household or a member of the household (e.g., Masonic agreement or by-laws of a Hutterite Colony), the agreement must be evaluated to determine if it meets the legal definition of a trust.

If the agreement is determined to meet the trust definition, it must be evaluated for accessibility. If the trust is considered to be accessible, the value of all the resources held by the trust must be counted in determining

the household's resource eligibility. It is necessary to request verification of all resources held by the trust.

If the trust is accessible and verification is received only a portion of the trust is available to the individual, only that portion is counted in the resource determination. If verification is not received, the full value of the trust is considered available.

**NOTE:** OPA Case Managers should submit all support agreements to their Regional Policy Specialist (RPS). The RPS will forward the support agreement to Central Office Policy Specialists and Department Legal staff to be evaluated.

## ACCESSIBILITY

The trust may be designated as revocable or irrevocable.

Trust funds are considered inaccessible (excluded) to the household **if all of the following are met:**

1. The trust arrangement is not likely to cease during the certification period, and the household member(s) does not have the power to revoke the trust arrangement or change the name of the beneficiary during the certification period; **and,**
2. The trustee administering the funds is either:
  - a. a court, institution, corporation, or organization is not under the direction or ownership of any household member; **or,**
  - b. an individual appointed by the court having court imposed limitations placed on the use of the funds; **and,**
3. Trust investments made on behalf of the trust do not directly involve or assist any business or corporation under the control, direction, or influence of a household **member; and,**
4. Funds held in irrevocable trust are either:
  - a. the household's own funds, if the trustee uses the funds solely to make investments on behalf of the trust or to pay the educational or medical expenses of any person named by the household creating the trust; **or,**

Section: RESOURCES

Subject: Trust Funds

- b. non-household funds by a non-household member.

**SPECIAL NEEDS  
TRUST**

Special needs trusts under Medicaid are generally countable because the money in the account can be used for living expenses (see 'Accessibility' in this section).

TP

o O o



Department of Public Health  
and Human Services

Section:  
RESOURCES

FOOD STAMP PROGRAM

Subject:  
Vehicles

**Supersedes:** FS 402-1 (07/01/02)

**≥References:** 7 CFR 273.8(f)(4); 7 CFR 273.8(e)(3)(i)(G)

**≥** GENERAL RULE – Federal regulations and legislation allow for greater flexibility in adopting vehicle asset rules. The regulations allow State Agencies to substitute vehicle asset rules from a TANF-funded or TANF Maintenance of Effort (MOE) funded assistance program for vehicle rules of the Food Stamp Program if it results in a lower attribution of resources for food stamp households.

The Child Care Program in Montana receives funding from TANF and does not consider vehicles when determining resources. The Food Stamp Program substitutes the Child Care Program vehicle asset rules for the Food Stamp Program vehicle asset rules excluding all vehicles as a resource.

## **DETERMINING FAIR MARKET AND EQUITY VALUES**

The standard references for determining fair market value of cars and light-trucks up to 25 model years old are the NADA Official Used Car Guide and the NADA Older Car Guide commonly referred to as the 'Blue Book'. The average trade-in value is used as the vehicle's current fair market value. Adding the value of low mileage or other factors such as optional equipment does not increase the value of the vehicle.

When the vehicle in question is too old to be listed but is less than 25 years old, assume the average trade-in value is equal to the oldest listed vehicle of like make and model.

Equity value is determined by deducting the amount owed (liens) from the fair market value.

**Example:** A vehicle's average trade-in value in NADA is \$2,400. The individual owes \$400 to the lending institution. The equity value of the vehicle is \$2,000. TEAMS calculates the equity value based on the fair market value less encumbrances.

## **≥SIGNIFICANT RETURN**

Any vehicle not likely to produce a significant return if sold is an excluded resource. The household's ownership interest, the cost of selling, and the market value are considered when determining whether the vehicle is likely to produce a significant return.

**NOTE:** Significant return is any return estimated to be more than \$1,500 after the estimated costs of sale and considering the ownership interest of the household.

Vehicles providing a means of transportation (e.g., boat, airplane, car, truck, motor home, motorcycle, snowmobile, or three/four wheeler, etc.) that are excluded under the significant return policy are coded 'IR' on VEHL.

Vehicles that do not provide a means of transportation (e.g., camper or trailer) that are excluded under the significant return policy are coded 'UV' on the OTAS.

**Example 1:** The household owns a vehicle with a fair market value of \$750. There are not any liens on the vehicle. The vehicle is excluded because the sale of the vehicle would not produce \$1,500.

**Example 2:** The household owns a vehicle with a fair market value of \$7,000 and owes \$6,500 on the vehicle. If the household sold the vehicle for \$7,000, it could receive \$500 after paying what is owed on the vehicle. The vehicle is excluded because the sale of the vehicle would not produce \$1,500.

**Example 3:** The household owns a vehicle with a fair market value of \$7,000. The household owes \$3,000 on the vehicle. The vehicle is in bad condition for whatever reason. If the household sold the vehicle for \$4,000, it would receive \$1,000 after paying what is owed on the vehicle. It is excluded because the sale of it would not produce \$1,500.

**Example 4:** The household owns multiple vehicles. The value of each is valued accordingly: Vehicle 1 - \$500, Vehicle 2 - \$500, Vehicle 3 - \$850, Vehicle 4 - \$1,000, and Vehicle 5 - \$1,400. Each vehicle is excluded because the sale of it would not produce \$1,500.

## ≥ ALL VEHICLES EXCLUDED

All vehicles are excluded as a resource including vehicles that do not provide a means of transportation (camper, trailers, etc.).

**NOTE:** A mobile home is not considered a trailer and is not excluded under the vehicle exclusion policy.

A household is not required to verify ownership, accessibility, or value of a vehicle for the Food Stamp Program. A food stamp case cannot be denied or closed for exceeding the resource limit due to a vehicle or for not verifying ownership, accessibility, or value of a vehicle.

## ≥TEAMS CODING

All vehicles are entered on TEAMS using the appropriate types and codes even though vehicles are excluded.

Vehicles providing a means of transportation (e.g., boat, airplane, car, truck, motor home, motorcycle, snowmobile, or three/four wheeler) are entered on the VEHI screen.

**EXCEPTION:** A vehicle used as a home if it is also a means of transportation is coded 'HM' on OTAS. When the vehicle is no longer used as a home, the vehicle is removed from OTAS and entered on VEHI.

Vehicles that do not provide a means of transportation (e.g., camper or trailer) are entered on the OTAS screen.

It is a best practice to code one vehicle with the highest equity value 'GX' to coincide with TANF and Medicaid policies. However, if that vehicle is excluded under the significant return policy, it should be coded as 'IR' on VEHI. All other vehicles are coded 'IR' on VEHI or 'UV' on OTAS.

**Example 1:** The household owns a vehicle with a fair market value of \$750. There are not any liens on the vehicle. The vehicle is excluded because the sale of the vehicle would not produce \$1,500; code 'IR' due to the significant return policy.

**Example 2:** The household owns a one vehicle with fair market value of \$3000. There are not any liens on the vehicle. It is a best practice to code the vehicle 'GX' on VEHI.

**Example 3:** The household owns Vehicle A with fair market and equity value of \$9000; Vehicle B with fair market and equity value of \$5000; Vehicle C with fair market and equity value of \$500; and a camper with fair market and equity value of \$3500. It is a best practice to code Vehicle A 'GX' on VEHI because it has the highest equity value; code vehicle B 'IR' on VEHI due

Section: RESOURCES

Subject: Vehicles

to the vehicle exclusion policy; code Vehicle C 'IR' on  
VEHI due to significant return policy; and camper 'UV'  
on OTAS due to vehicle exclusion policy.

TP

Department of Public Health  
and Human Services

Section:  
RESOURCES

FOOD STAMP PROGRAM

Subject:  
Transfer of Resources/Disqualification

**Supersedes:** FS 404-1 (07/01/02)

**References:** 7 CFR 273.8

GENERAL RULE -- Households knowingly transferring resources for the purpose of qualifying or attempting to qualify for food stamp benefits are disqualified from receiving benefits.

**WHEN TO APPLY  
A DISQUALIFICATION  
PERIOD**

A disqualification period is applied if the resource was transferred:

1. In the three month period prior to application;
2. During the application process; or,
3. Any time during the certification period to prevent the household from exceeding the maximum resource limit.

**DISQUALIFICATION  
PERIOD IS NOT  
APPLIED**

A disqualification period is not applied if:

1. Resources transferred would not otherwise affect eligibility;
2. Resources were sold or traded at or near current market value;
3. Transfers were made for a reason other than attempting to qualify for food stamps (e.g., a parent placing funds in an inaccessible trust fund for a child's education); or,
4. Transfers were made between members of the same food stamp household including members coded 'DQ', 'DS', 'DF', or 'IN'.

Transfers made to a household member coded 'OU' (e.g., ineligible student) requires the transfer to be assessed.

**DISQUALIFICATION  
PERIOD**

The resource amount(s) transferred are added to all other countable resources at the time of the transfer. The disqualification period is based on the total amount of resources that exceed the resource limit. The maximum disqualification period is one year from the discovery date.

Use the following chart to determine the period of disqualification:

Amount in Excess of Resource Limit	Period of Disqualification
\$ 0 to \$ 249.99 .....	1 month
\$ 250 to \$ 999.99 .....	3 months
\$1,000 to \$2,999.99 .....	6 months
\$3,000 to \$4,999.99 .....	9 months
\$5,000 or more .....	12 months

The disqualification period begins:

1. **New applications** - the month of application.
2. **Ongoing households** - the month after the notice of adverse action expires unless the household requests a fair hearing and continuation of benefits.

**Example:** Joe is currently receiving food stamp benefits and is not elderly or disabled. On October 5th the OPA Case Manager determines Joe transferred **all** his countable resources, \$6,500, to continue to be eligible for food stamp benefits. His countable resources are now zero. A notice of adverse action is sent to Joe on October 6th informing him of the reason for the disqualification. The length of the disqualification period is nine months based on \$4,500 (the amount in excess of his resource limit of \$2,000). The disqualification period begins November.

≥

TP

Department of Public Health  
and Human Services

Section:  
INCOME

FOOD STAMP PROGRAM

Subject:  
Overview

**Supersedes:** FS 500 (07/01/02)

**≥References** 7 CFR 273.9; 7 CFR 273.11(c)

GENERAL RULE -- The filing unit's income eligibility is determined by evaluating the income of each member. All income or money obligated to the household from any source is evaluated to determine if the income is earned or unearned and countable or excluded. All income must be entered on the appropriate TEAMS screen even if it is excluded per policy.

Income eligibility is determined by evaluating the household's current and anticipated circumstances based on reasonable expectations and knowledge of its financial circumstances. The result accurately reflects facts for prospecting income eligibility through the certification period.

**TYPES OF INCOME** There are two types of income:

1. Earned income:
  - a. Wages and salaries for services performed. The OPA Case Manager must code earned income on EAIN using the appropriate earned income code.
  - b. Net earnings from self-employment even if the net income is \$0.00 after allowable deductions. The OPA Case Manager must code self-employment income using the appropriate income and expense codes on SEEI.
2. Unearned income is all income not earned. The OPA Case Manager must code unearned income on UNIN using the appropriate unearned income code.

**AVAILABLE  
INCOME**

Households are **not** required to apply for income they might be eligible to receive such, as unemployment, child support, Social Security, etc.

**INCOME OF  
DISQUALIFIED/  
INELIGIBLE  
MEMBERS**

The OPA Case Manager must use the correct participation codes for required disqualified and ineligible household members on FS SEPA screen

**'DF' and 'DQ'** - all income not excluded by policy is countable and is NOT prorated. Earned income deductions are allowed.

**'DS'** - all income not excluded per policy is prorated among remaining household members. Earned income disregards are allowed.

The following calculation is used if manually calculating benefits:

≥

1. Subtract all allowable exclusions from the ineligible member's income such as the earned income deduction.
2. Divide the difference among all household members including ineligible members.
3. All but the ineligible members' share is counted for the remaining household members.

**Example:** The household composition is husband, wife (ineligible alien), and child. The wife's verified prospected earned income is \$450 a month.

- a. \$450 (ineligible member's income) - \$90 (earned income disregard) = \$360;
- b. \$360 divided by 3 (number of household members) = \$120; and,
- c. \$360 - \$120 (ineligible member's share) = \$240 countable income for household size of two.

TP



Department of Public Health  
and Human Services

Section:  
INCOME

FOOD STAMP PROGRAM

Subject:  
Alpha Index

**Supersedes:** FS 500-1 (01/01/06)

Income Source	UNIN (501-1) Page #	EAİN (502-1) Page #	SEEI (503-1) Page #	Comments
Adoption Subsidies (Title IV)	1			
Advances on Wages		1		
Agent Orange	1			
Agricultural Stabilization and Conservation Service			3	
Aid and Attendance	19			
AmeriCorps		1-2		
AmeriCorps*VISTA		1-2		
AARP		6		See 'Older Americans Act'.
Annuity Payment	1			
Assistance Programs	1-2			
Attendant Care Payments		2		
Bankruptcy			13-14	
BIA General Assistance	2			See 'Assistance Programs'.
Boarder Income			12	Also see 'Roomer in 503-1.
Bonus Pay		2		
Business Connected to Home Property			6-7	Also see 'In-Home Business' 501-3.
Canceled Debt (Self- Employment)			4	
Capital Gains/Losses	3		4	
Charitable Donations	3			
Child Care Block Grant	3			
Child Support Arrearage	3			
Child Support or Alimony	3-4			
Combat Pay	4-6			
Community Services Administration	6			
Commission		2		
Contract for Deed	6			

Section: INCOME

Subject: Alpha Index

Income Source	UNIN (501-1) Page #	EAIN (502-1) Page #	SEEI (503-1) Page #	Comments
Contractual Income		2		
Contributions	6			
Corporations (Income from)			2	
Crime Victim Compensation	6			
Dependent Care Business Expense			5	
Dependent Care Usage Chart			15	
Disaster Relief Act	7			Also see 'FEMA'.
≥Disaster Relief Employment		2-3		
Disaster Unemployment	7			
Dislocated Worker		3		
Displaced Homemaker		3		
Disqualified/Ineligible members (Income of...)				See 500 Page 2.
Dividend	10			See 'Interest'.
Domestic Volunteer Services Act		3		
Earned Income of Children Under 18		3		
Earned Income Tax Credit (EITC)		3		
Educational Income				See 504-1.
Energy Payments	7			
Experience Works Inc.		6		See 'Older Americans Act'.
Family Subsistence Supplemental Allowance (FSSA)		4		
Federal Emergency Management Assistance (FEMA)	7-8			Also see 'Disaster payments'.
Forest Service Income for the Elderly		6		See 'Older Americans Act'.
Foster Care	8			
Garnishments (Wages)	8	4		

Section: INCOME

Subject: Alpha Index

Income Source	UNIN (501-1) Page #	EAIN (502-1) Page #	SEEI (503-1) Page #	Comments
Gifts	8			
Government Training Allowances		4		
Green Thumb		6		See 'Older Americans Act'.
Health Care Improvement Act of 2000	9			
Home Equity Conversion Plan	9			
Home Equity Loan	11			See 'Loans'.
Homeowners Credit	14-15			See 'Reimbursements'.
Individual Development Account (IDA)	10			
In-Home Business			8-9	See 'Business Connected to Home Property'.
In-Kind Benefits		4		
Indian Income				See 501-2.
Interest	10			
Infrequent or Irregular Income	11	4		
Jury Duty Payments		4-5		
Lease	11			See 501-2 'Native American Income' and 503-1 'Self-Employment'.
Loans Received by the Household	11			
Loan Repayments to the Household	11-12			
Lump-Sums	12	5		
Military Basic Housing Allowance (BAH)		5		
Military Pay		5		See also 'Veterans Administration'.
Military Re-enlistment Bonuses		5-6		
Monies withheld for Recoupment for IPV	13-14			See 'Recoupment for Prior Overpayments'.
National Council on Aging		6		See 'Older Americans Act'.

Section: INCOME

Subject: Alpha Index

Income Source	UNIN (501-1) Page #	EAIN (502-1) Page #	SEEI (503-1) Page #	Comments
National Council of Senior Citizens		6		See 'Older Americans Act'.
National Flood Insurance Act	12			
National School Lunch Program	12			
Native and Indian Claims				See 501-2.
Nazi Persecution Victims	12			
Nutritional Program for the Elderly	12			
Older Americans Act		6		
On-the-Job Training Program		7-8		See 'Workforce Investment Act (WIA)'.
Pass Through Payment	12			
Payments to Protective Payees	12-13			
Pensions	13			Also see 'Military Pay'.
Per-Capita Income				See 501-2.
Plan for Achieving Self-support (PASS)	13	6		
Radiation Exposure Compensation Act	13			
Railroad Retirement	13			See 'Pensions'.
Recoupments for Prior Overpayments	13-14			
Reimbursements	14-15			
Rental Income	15		10-11	
Renters Credit	14-15			See 'Reimbursement'.
Repayment of a Loan	12			See 'Loan Repayments to Households'.
Retired Senior Volunteer Program (RSVP)		3		See 'Domestic Volunteer Services Act'.
Reverse Mortgage	9			See 'Home Equity Conversion Plan'.
Roomer (Income from a...)			11-12	See also 'Contributions' and 'Boarder'.
Royalty Income	10-11	6		
Rural Opportunities Incorporated	15			See 'Savings Offer Success'.
Sale of Blood		6		

Section: INCOME

Subject: Alpha Index

Income Source	UNIN (501-1) Page #	EAIN (502-1) Page #	SEEI (503-1) Page #	Comments
Sale of a Resource	15-16			
Savings Offer Success (SOS)	16			
Self-Employment Budgeting of....			9-10	
Self-Employment Definition of...			1	
Self-Employment Expenses			4-5	
Self-Employment Losses			12-13	Also see 'Capital Gains/Losses'.
Self-Employment Resources			2-3	
Senior Companion Program		3		See 'Domestic Volunteer Services Act'.
Service Corps of Retired Executives (SCORE)		3		See 'Domestic Volunteer Services Act'.
Severance Pay	16	7		
Shelter costs (in-home business)			8-9	
Shelter costs (business connected to home property)			6-7	
Sick Leave	16	7		
Social Security/SSI	1-2			See 'Assistance Programs'.
Spina Bifida Payments	16			
Sponsored Aliens	16			
State Supplemental Payments	1-2			See 'Assistance Payments'.
Stipends				See the source of the stipend. (WIA, VA educational assistance, etc.)
Striker Income	16-17			
Subsidized Guardianship	17			
Supportive Service Payment	17			
TANF	1-2			
TANF Supplement Payment for Child Support	1-2			

Section: INCOME

Subject: Alpha Index

<b>Income Source</b>	<b>UNIN (501-1) Page #</b>	<b>EAIN (502-1) Page #</b>	<b>SEEI (503-1) Page #</b>	<b>Comments</b>
Temporary Disability Insurance	17			
Tips		7		
Training Allowances		4		See 'Government Training Allowances'.
Tribal TANF	1-2			See 'Assistance Programs'.
Trust Funds	17			
Unemployment Compensation	18			
Uniform Relocation Payments	18			
Vacation Pay	15	7		See 'Severance' or 'Sick Leave'.
Vendor Payments	18-19	7		
Veteran Administration	19			
Wages		7		
Weatherization	19			
Women Infants and Children (WIC)	19			
Work Study Income				See 504-1 'Educational Income'.
Workers' Compensation	20			
Work Support Payment (WSP)	20			
Workforce Investment Act (WIA)		7-8		

Department of Public Health  
and Human Services

Section:  
INCOME

FOOD STAMP PROGRAM

Subject:  
Unearned Income

**Supersedes:** FS 501-1 (01/01/06)

**References:** 7 CFR 273.2, 273.9, 273.11

GENERAL RULE -- All unearned income received by the filing unit is considered when determining eligibility for the Food Stamp Program. All unearned income, whether countable or excluded according to policy, is entered and coded appropriately on the TEAMS UNIN screen.

**ADOPTION  
SUBSIDIES  
(TITLE IV)**

Title IV adoption subsidies are intended to pay for general living expenses and are countable unearned income to the child; code 'OT' against the child.

**NOTE:** The adoption subsidy is excluded as a reimbursement for child care if the responsible adult for the child is working, seeking employment, or it is a reimbursement for a medical expense. A child care deduction is not allowed when the subsidy is a reimbursement for child care.

**AGENT ORANGE  
SETTLEMENT**

Payments from the Agent Orange Settlement Fund or any other fund established pursuant to the settlement in the Agent Orange Product Liability Litigation are excluded; code 'OX'.

**NOTE:** Payments of veterans' benefits to veterans with service-connected disabilities resulting from exposure to Agent Orange are countable; code 'VA'.

**ANNUITY  
PAYMENT**

Annuities are contracts or agreements providing for the payment of income at regular intervals (e.g., monthly, quarterly, annually, etc.).

The annuity is excluded as a resource if payments are paid from the annuity. The payments are countable unearned income. If recurring payments are received on a regular basis, the payments are averaged over the period of intended use (e.g., an annuity paid on an annual basis is annualized).

**ASSISTANCE  
PROGRAMS**

All federal, state, or local assistance paid directly to the household is countable unearned income.

Assistance payments include the following:

## Section: INCOME

## Subject: Unearned Income

1. Supplemental Security Income (SSI; also known as Title XVI benefits); code 'SI'.
2. Retirement, Survivors and Disability Insurance (RSDI; also known as Title II benefits); code 'SS'.
3. State Supplemental Payments (SSP); code 'ST'.

**NOTE:** 'SI', 'SS' and 'ST' benefits should automatically interface on UNIN based on Social Security tapes matched with TEAMS. The OPA Case Manager accesses the SOLQ query to determine correct SSI and RSDI when the amount is questionable.

**NOTE:** When the interface occurs too late in the month to give timely notice, adjust the income for the benefit month using the previous month's income amount and set an alert to change the income for the following month.

4. TANF cash assistance automatically interfaces when authorized; code 'AF'.

**NOTE:** TANF and Tribal TANF count against the specified relative receiving food stamp benefits and cash assistance even when a portion of the payment is intended for an individual who is temporarily absent from the household.

**NOTE:** Food stamp benefits are not increased when a portion of a means-tested program (TANF, Tribal TANF, Bureau of Indian Affairs (BIA) General Assistance) is being recouped for a prior household caused overpayment (FS 602-5).

5. Tribal TANF amount does not automatically interface; code 'TT'.
6. Bureau of Indian Affairs (BIA) General Assistance; code 'GA'.
7. TANF supplement payment for child support collected for TANF recipients; code 'CS SP' on UNIN against whom the payment was issued. The income is prospectred in the same manner as child support income (FS 501-1).



Section: INCOME

Subject: Unearned Income

**CAPITAL GAINS**

Capital gains from the sale of **personal** property or a house when not in the business of buying and selling houses are excluded non-recurring lump sums; code 'LS'.

If payment is made in installments instead of a lump sum refer to 'Sale of a Resource' in this section.

'Capital Gains' from the sale of self-employment property (FS 503-1).

**CHARITABLE DONATIONS**

Cash donations based on need from one or more private non-profit charitable organizations are excluded unearned income not to exceed \$300 in a federal fiscal quarter. Federal fiscal quarters run October-December, January-March, April-June, and July-September.

**CHILD CARE BLOCK GRANT**

Child care payments paid to the parent, whose child is receiving care, are excluded because the parent is obligated to give the payment to the child care provider; code 'OX'.

**NOTE:** The payment is countable earned income from self-employment when a required filing unit member is the service provider (FS 503-1).

**CHILD SUPPORT ARREARAGE**

Child support arrearages received on a regular monthly payment schedule are part of the current payment and are countable; code 'CS AR'.

A child support arrearage paid in a one-time payment is considered a nonrecurring lump sum and is excluded; code 'LS'.

**CHILD SUPPORT OR ALIMONY**

Payments paid directly to the household are countable income; code 'CS' against the child(ren) it is intended to support.

Money legally obligated and otherwise payable to the household but diverted to a third party (e.g., recovery fee) is countable income.

Evaluate the child support order to determine the correct amount attributable to each child. If the order does not indicate an amount per child, assume the amount received is equally distributed to all minor children of the absent parent living in the household.

If the household where the child is living is not receiving the child support income, the child support is not counted against that household. It is counted against the person to whom the check is written.

Section: INCOME

Subject: Unearned Income

**Example:** Child moves out of the household.

The child support is being passed on to the child; code 'CS' against the child.

The income is not being passed on to the child; code 'CS' against the person to whom the check is written.

When child support is being reduced to repay over issued child support, the net amount of income is countable. The net amount of child support income is found on the WAP screen on SEARCHS.

Child support income is countable when the household keeps the child support received prior to the initial authorization of TANF or Tribal TANF; code 'CS'.

All child support income received after initial TANF benefit authorization is excluded income due to the requirement to turn the money over to the Child Support Enforcement Division (CSED); code 'OX'. There is not an over payment for food stamps for this situation.

## COMBAT PAY

When determining the household's income for food stamp purposes, the OPA Case Manager must determine if any monies made available to a household by an absent member deployed to a designated combat zone are excluded.

1. For food stamp purposes, the OPA Case Manager must first establish what amount of the military person's pay was actually available to the household prior to the deployment of the military person to a designated combat zone.
  - a. If the military person was part of the household for food stamp purposes prior to deployment, this amount would be his/her net military pay.

**Example:** Household consists of husband, wife, and one child. Wife receives \$400 gross income per month from weekend guard pay that is being budgeted as earned income to determine the food stamp allotment.

The household reports the wife was notified she will be going out of state for four weeks of training then will be deployed to a combat zone. The wife's gross income now includes training pay and exceeds the GMI. The wife is removed

because she is no longer in the household. The wife's net income available to the household from guard duty is \$200 and is countable unearned income to the household. The household remains eligible.

The wife is deployed to a combat zone, and the amount the household begins receiving is \$1,500. The \$1,300 in excess of the previous net pay is excluded from income as combat pay.

- b. If the military person **was not part** of the household for food stamp purposes prior to the military person's deployment, the amount the absent military person was actually making available to the food stamp household prior to deployment is counted as unearned income.

**Example:** Household consists of wife and two children. Husband is military person and is not included in the household. \$1,100 of the husband's income is the amount available to the food stamp household and is being budgeted as unearned income to determine the household's food stamp allotment.

The husband is deployed to a combat zone, and the amount the household begins receiving is \$1,500. The \$400 in excess of the previous net pay is excluded from income as combat pay.

2. The OPA Case Manager must then determine the amount of military pay that the deployed absent military member is making available to the food stamp household.
3. If the amount of military pay the absent member (deployed in a designated combat zone) is making available is equal to or less than the amount the household was receiving from the military person prior to deployment to a designated combat zone, all of the allotment would be counted as unearned income to the household for food stamp purposes. Any portion of the amount that exceeds the amount the household was receiving prior to deployment of the military person to a designated combat zone should be excluded when determining the household's income for food stamp purposes.

Section: INCOME

Subject: Unearned Income

To document the deployed person's income and location, the person's Leave and Earnings Statement (LES) will identify combat pay if it is being received and can be used to establish deployment to a combat zone and the amount of combat pay. Deployment to a combat zone can also be established through orders issued to the military person. Some households may have access to the information via the web. Assistance can also be sought via the local base financial office.

If needed, contact the Regional Policy Specialist for a list of combat zone tax exclusion areas.

#### **COMMUNITY SERVICES ADMINISTRATION**

Payments from the Crisis Intervention Program (CIP) administered by the Community Services Administration (CSA) are excluded; code 'OX'.

#### **CONTRACT FOR DEED**

If a contract for deed is excluded as a resource, the payments received from that contract for deed are countable unearned income. The costs of doing business are deducted from the gross income to arrive at the countable net income. The income is countable over the period it is intended to cover; code 'OT'.

**NOTE:** Allowable business expenses for the cost of doing business include: payments on the principal of the purchase price of income producing real estate and capital assets, equipment, machinery, and other durable goods; interest paid to purchase income producing property; insurance premiums; escrow fees; and, taxes paid on income producing property (FS 503-1).

Both the interest earned and the portion of the payment for the principal are countable income after the allowable costs of doing business when the contract for deed is an excluded resource.

If the contract for deed is a countable resource, only the interest payment minus cost of doing business is counted as income; code 'OF'.

#### **CONTRIBUTIONS**

Contributions that can be anticipated to be received from an outside source and cannot be excluded as a nonrecurring lump sum, loan, or irregular/infrequent income are countable unearned income to the household; code 'CO'.

#### **CRIME VICTIM COMPENSATION**

Payments received under this program, regardless of the circumstances of payment, are excluded; code 'OX'.

Section: INCOME

Subject: Unearned Income

**DISASTER RELIEF ACT**

Payments issued as a result of a Presidential declared emergency or major disaster as defined in this Act, as amended, are excluded; code 'OX'.

The exclusion applies to federal assistance provided to individuals directly affected and to comparable disaster assistance provided by states, local governments, and disaster assistance organizations.

**DISASTER UNEMPLOYMENT**

Public Law 100-707 authorizes the President under the Robert T. Stafford Disaster Relief and Emergency Assistance Act to pay Disaster Unemployment Assistance to any individual unemployed as a result of a major disaster. Individuals cannot receive disaster unemployment benefits if they are eligible for any other unemployment compensation. Payments are limited to 26 weeks.

Because disaster unemployment assistance is considered Federal major disaster and emergency assistance under the Stafford Act, it cannot be considered as income or as a resource when determining Food Stamp Program benefits. The source of the unemployment income only needs to be verified if the household member suffered a job loss or was unemployed due to a recent disaster.

**► EDUCATIONAL INCOME**

Educational grants, loans, scholarships, stipends and VA education payments that are directly related to the individual's attendance at an institution of higher education are excluded; code 'ED'.

**ENERGY PAYMENTS**

Energy payments to households such as, Section 8/HUD Utilities Payments, LIEAP payments, and Farmer's Home Administration (FHA) Rent Subsidy Payments, are excluded; code 'OX'.

**EXCEPTION:** The portions of public assistance grants (e.g., TANF or General Assistance benefits) paid for the purpose of energy payments are countable unearned income. Montana's TANF program does not include energy payments in the grant amount. However, other states may have this option in their state plan.

**FEMA FUNDS**

Federal Emergency Management Assistance (FEMA) funds made to homeless people to pay for rent, food, and utility assistance when there is **no** major disaster or emergency, are countable; code 'OT'.

FEMA funds provided as rent payments to households facing eviction or payments for food or clothing are countable unearned income if they are received on a regular basis; code 'OT'.

When FEMA pays the rent directly to the landlord, the amount is considered a vendor payment and is excluded.

If the payment is related to a disaster see 'Disaster Relief' in this section.

## FOSTER CARE

If the household chooses to include the foster child or adult as a filing unit member, the individual is coded 'IN' on FS SEPA and the foster care income is countable; code 'FC CI' against the foster child or adult.

If the household chooses to exclude the foster child or adult as a filing unit member, the individual is coded 'OU' on FS SEPA and the foster care income is excluded; code 'FC CI' against the foster child or adult.

## GARNISHMENT

The gross income is counted to determine benefits if unearned income is garnished for a purpose not related to an overpayment from the same income source.

**Example:** If Workers' Compensation is garnished for child support, the gross Workers' Compensation payment is countable; code 'WC'.

If income is being reduced to repay over issued income from the same income source, see 'Recoupments for Overpayments' in this section.

The portion of a military retirement payment paid to an ex-spouse under a divorce decree property settlement is **not counted as income to the retiree**; the full payment to a **retired civil servant is countable income** (see 'Veterans Administration' in this section).

## GIFTS

Monetary gifts to the household such as money received as a birthday, anniversary, graduation, or Christmas presents, are generally excluded. The exclusion is usually due to the inability to prospect the income or gift and is usually excluded as a nonrecurring lump sum or irregular/infrequent payment.

Monetary gifts that can be prospected are countable and are not considered nonrecurring lump sums or irregular/infrequent payments.

Countable gifts given to an entire household are prorated among the household members.

**Example:** A \$300 gift given to a household of six for Christmas is prorated as \$50 per household member -  $\$300 \div 6 = \$50$  each.

Section: INCOME

Subject: Unearned Income

**HEALTH CARE  
IMPROVEMENT  
ACT OF 2000**

Payments paid under Health Care Improvement Act of 2000 for the children of women Vietnam veterans who suffer from certain birth defects are excluded from income and resources.

**HOME EQUITY  
CONVERSION  
PLAN**

There are several variations of Home Equity Conversion Plans allowing households to borrow money or receive payments against the value of their home. The most common conversion plans are either a Reverse Annuity Mortgage Loan Program (RAM) or a Home Equity Conversion Sale Leaseback Program. A case-by-case review must be made to determine if the money is countable unearned income or an excluded loan.

**Reverse Annuity Mortgage** - payments received from a Reverse Annuity Mortgage loan program (RAM) are excluded income because they are considered a loan; code 'LO'.

The loan agreement between the mortgage company and the homeowner is used to verify when the loan is to be repaid.

Generally repayment begins when the:

1. House is sold;
2. Owners no longer occupy the house; or,
3. Owners die and repayment is taken from the settlement of the estate.

**Home Equity Conversion Sale Leaseback Program** - the house is sold under this program to an investor who pays the homeowner the purchase price in a series of payments and gives the homeowner a lease to live in the home for a specific period of time (sometimes until death). It is necessary to review each sale-leaseback transaction to evaluate the specific financial arrangements to determine if the proceeds from the property are income or a resource.

Lump sum payments are a resource in the month received.

Monthly payments are countable unearned income.

**Home equity loans**, see 'Loans' in this section.

**IN-KIND  
BENEFITS**

FS 502-1

Section: INCOME

Subject: Unearned Income

**INCOME TAX  
REFUND/CREDIT**

Income tax returns are excluded as a nonrecurring lump sum; code 'OX'.

**NOTE:** Earned Income Tax Credit payments and the Child Tax Credit received as an advance payment or as a refund are excluded earned income; code 'EI'.

**INDIVIDUAL  
DEVELOPMENT  
ACCOUNT (IDA)**

An IDA may be established by or on behalf of an individual eligible for TANF assistance. An IDA is created and funded through periodic IDA contributions by an individual and matched by or through a not-for-profit organization or a state or local government agency in cooperation with such organization. The purpose of the account is to enable an individual to accumulate funds for post-secondary education, first home purchase, or business capitalization.

Only earned income can be deposited into an IDA. The gross earnings are counted as wages before deposited; code 'WA' on EAIN.

If funds are withdrawn, for whatever reason, they are not considered income to the household because they were already counted as wages. The funds are still not considered income when withdrawn even if the income was not counted against a Montana case when deposited. Interest earned on the IDA is excluded.

**INTEREST,  
DIVIDEND,  
ROYALTY INCOME**

Interest, dividend and royalty income are countable because it is a gain or benefit to the household. This includes interest income earned on a bank account; code 'OF' or 'RO'.

**NOTE:** The household's statement is accepted as verification of interest income when the household reports its interest income is \$10 or less per month or \$120 or less per year.

Royalties from Indian lands, oil, gas, and timber (FS 501-2).

**Definition of Royalties** - royalties include compensation paid to the owner for the use of property usually copyrighted material such as books, music, etc., or natural resources such as mineral, oil, gravel, or timber.

Royalties are unearned income unless they are received as part of a trade or business. The cost of producing the income can only be deducted if the income is from a self-employment business (FS 503-1).

Since interest, dividend, and royalty income are received on a regular basis, royalties **cannot** be considered irregular or infrequent. The income must be counted regardless of the amount. The OPA Case Manager determines to average payments over the period they cover.



Section: INCOME

Subject: Unearned Income

**IRREGULAR OR  
INFREQUENT  
INCOME**

Irregular or infrequent income is excluded if the income of **all** household members does not exceed \$30 in a quarter; for amounts under \$30 code 'OX'; code 'OF' the amount over \$30. The entire amount is entered not just the amount in excess of \$30. Interest income is **NOT** irregular or infrequent.

The OPA Case Manager must evaluate the amount of income received and how often it is received to determine how to budget the income.

**LEASE  
INCOME**

Lease income from Indian Lands (FS 501-2).

Lease income unrelated to Native American resources is countable; code 'LE'.

The anticipated income is prorated over the period of time it was intended to cover.

**Example:** If the lease is for a six month period of time but the payment is only made once in that six month period, the income is averaged over six months beginning with the month the payment is made to the household.

When the filing unit is in the business of buying and selling leases or managing lease property, the income is considered self-employment (FS 503-1).

**LOANS RECEIVED  
BY HOUSEHOLD**

All valid loans including loans from private individuals and commercial institutions are excluded; code 'LO'.

Educational loans (FS 504-1).

**NOTE:** All loans received, other than deferred repayment educational loans, are considered resources since they are available as liquid resources (cash on hand or in checking accounts) until the money from the loan is spent.

**Verification of a valid loan:** A written or oral statement indicating the money received is a loan and is to be repaid at a future date. It is a best practice to request the loan statement be written and signed by both parties.

**LOAN REPAYMENTS  
TO HOUSEHOLD**

The principal of a loan repayment is excluded unearned income; code 'LO'.

The interest is considered countable unearned income; code 'OF'.

Section: INCOME

Subject: Unearned Income

It does not matter if the loan balance is an accessible (countable) resource or not.

**LUMP SUM  
PAYMENTS**

Nonrecurring lump sum payments are excluded income; code 'LS'.

**NATIONAL FLOOD  
INSURANCE ACT**

Public Law 109-64 enacted September 20, 2005 amends the National Flood Insurance Act of 1968. All payments made under NFIP for flood mitigation activities are not counted as income or resources of the owner of the property when determining eligibility for food stamp benefits. The Federal Emergency Management Agency awards grants to States and communities that distribute the funds to individuals and businesses for activities that reduce the risk of repetitive flood damage.

**NATIONAL SCHOOL  
LUNCH PROGRAM  
OR  
NUTRITIONAL  
PROGRAM FOR THE  
ELDERLY**

The value of assistance to children and elderly under these Acts is not income and is not required to be listed on TEAMS.

**NAZI PERSECUTION  
VICTIMS**

Payments to individuals because of their status as victims of Nazi persecution are excluded; code 'OX'.

**PASS THROUGH  
PAYMENT**

A payment made from one household to another for shelter expenses when they reside together is exempt as pass through shelter payment up to the full amount of shelter billed. If the payment is more than the full rent charged for the residence, the excess payment is unearned income to the household receiving the payment.

**PAYMENTS TO  
PROTECTIVE  
PAYEE**

A payee for a SSI recipient or SSDI recipient, in agreement with the Social Security Administration, reduces the SSI or SSDI recipient's cash benefit amount by an agreed upon fee for services provided by the payee. The services for the SSI or SSDI recipient are generally paying bills, making appointments, etc. The SSI or SSDI recipient's countable income is the SSI or SSDI cash benefit amount minus the payee's fee paid by the recipient.

Monies received and used for the care and maintenance of a third party beneficiary (adult or child) who is not a member of the protective payee's household are excluded as income to the protective payee; code 'OX'.

Section: INCOME

Subject: Unearned Income

The portion of money a protective payee receives and uses for them self is counted as **earned** income to the protective payee's household; code 'OF' on EAIN.

**Example:** Mom is receiving RSDI (survivor benefits) protective payee benefit for the minor child (beneficiary) who is not living in the food stamp household. Mom is using the entire \$250 check for her own personal needs with zero benefit to the beneficiary. The \$250 is coded 'OF' against Mom and not coded for the child's case.

The SDX interface shows the income against the beneficiary only. The amount must be deleted monthly if the child is not receiving the money.

The portion passed through is counted against the child of the food stamp household and not against Mom's household if Mom is passing the money to the household where the child resides.

#### **PENSION PAYMENTS**

Recurring payments from pension plans are countable unearned income; code 'GP', 'RR', or 'OP' accordingly.

#### **PLAN FOR ACHIEVING SELF-SUPPORT (PASS)**

Income paid to a SSI recipient under a plan for achieving self-support is excluded; code 'OX'.

#### **RADIATION EXPOSURE COMPENSATION ACT**

Payments received under this Act are excluded; code 'OX'.

#### **RECOUPMENT FOR PRIOR OVERPAYMENTS**

If the recoupment is unrelated to an overpayment from the same source, see 'Garnishments' in this section.

Money withheld from an assistance payment, earned income, OR money received from any income source that is voluntarily or involuntarily returned to repay a previous overpayment from that same income source must be evaluated to determine if the gross or net income is countable.



**NOTE:** When an SSI overpayment is being recouped from RSDI payment, the gross amount of RSDI is counted.

When income is reduced to recoup a prior overpayment **and is not** from means-tested program, the NET income (amount after the repayment is taken) is counted regardless of the reason for the overpayment. This includes income such as unemployment, Worker's Compensation, child support (unrelated to TANF), pensions, SSI, RSDI, etc.

If a means-tested program (TANF, Tribal TANF, BIA GA) is reduced to recoup a prior **agency-caused** overpayment, the **net** assistance is counted. If the recoupment is for a **household-caused** overpayment, the **gross** assistance amount is counted (FS 602-5).

**REIMBURSEMENTS** Reimbursements for past or future expenses unrelated to normal living expenses to the extent they do not exceed actual expenses and do not represent a gain or benefit to the household are excluded. The payments must be provided specifically for an identified expense, other than normal living expenses and used for the purpose intended.

Reimbursements for normal living expenses such as mortgage, rent, personal clothing, or food eaten at home are a gain or benefit and **are not excluded** as a reimbursement. These exchanges should be evaluated under other income categories such as, contributions or in-kind income, on a case-by-case basis.

When a reimbursement including a flat allowance, covers multiple expenses, each expense does not have to be separately identified as long as none of the reimbursement covers normal living expenses.

The amount the reimbursement exceeds the actual incurred expense is counted as income. However, reimbursements are not considered to exceed actual expense unless the provider or the household indicates the amount is excessive.

The following are examples of excluded reimbursements:

1. Reimbursements or flat allowances for job or training related expenses such as travel, per diem, uniforms, and transportation to and from the job or training site. Reimbursements provided over and above basic wages for these expenses are excluded. However, these expenses, if not reimbursed, are not deductible. Reimbursements for the travel expenses of migrant workers are also excluded.
2. Reimbursements for out-of-pocket expenses of volunteers incurred in the course of their volunteer work.

Section: INCOME

Subject: Unearned Income

3. Medical and dependent care reimbursements, including reimbursements from Veterans Administration for 'unusual medical expenses'.
4. Reimbursements received by the filing unit to pay for services provided by Title XX of the Social Security Act.
5. Renters' credit or homeowners' credit.

If the excluded reimbursement is in the form of an earned training allowance, code it as 'TR' on EAIN. All other excluded reimbursements are coded 'OX' on UNIN.

**RENTAL INCOME**

A property owner/landlord is allowed the full amount of shelter costs (such as mortgage, taxes, insurance) that the household is required to pay to live there. The gross income minus the cost of doing business received from rental property if a household member is not involved in management of the property 20 hours/week or more is countable

► unearned income to the owner/landlord's household (FS 503-1). The OPA Case Manager must calculate the amount of countable income manually (off of TEAMS), using gross income minus the allowable expenses; code 'RE' on UNIN.

**NOTE:** No portion of expenses can be used as both a shelter cost and a self-employment cost. The allowable costs of doing business are exclusively for the rental space not for common living area or items used in common.

**Example 1:** Household A owns the home and rents a room to Household B. Both households are receiving food stamps as separate households. Household A has mortgage payment of \$400 (includes taxes and insurance). Household B is responsible for \$100 rent and half of the heating/cooling expense.

Household A is entitled to \$400 for the mortgage expense and the full SUA. The \$100 from Household B is unearned income to Household A. Household A may claim self-employment allowable costs for providing the room such as paint or new carpet for the room.

Household B is entitled to \$100 rent expense and the full SUA.

► **Example 2:** A food stamp household owns a house separate from its residence and rents out the house. The house is rented for \$600 a month and the renter is responsible to pay all utilities.

Section: INCOME

Subject: Unearned Income

The only allowable cost of doing business the household reports and verifies is \$325 mortgage including property taxes and insurance. The OPA Case Manager must document in case notes the gross rental income along with the allowable costs of doing business. The OPA Case Manager must manually deduct the cost of doing business from the gross rental income ( $\$600 - \$325 = \$275$ ) and code the net countable income (\$275) 'RE' on UNIN.

### SALE OF A A RESOURCE

When income from the sale of a **personal** resource is received in **installment payments**, the payments minus cost of doing business are countable income.

If the installment contract cannot be readily liquidated (e.g., language states that it cannot be sold to a bank or other financial institution), it is inaccessible and excluded.

If proceeds from the sale of a personal resource are received in ONE payment, the payment is not income but a resource in the month received.

Sale of self-employment resource (FS 503-1).

### SAVINGS OFFER SUCCESS (SOS)

Savings Offer Success (SOS) payments by Rural Inc. (ROI) are privately financed payments to households for a down payment on a house, start-up costs of a self-employment business, or tuition costs for post-secondary education. For every \$1 the individual deposits, ROI will deposit \$3 in matching funds. Matching awards are made from funds not owed to the household and are excluded as income.

Payments from the accounts are vendor payments to a third party on behalf of a household and are excluded as income; code 'OX'.

### SEVERANCE PAY

When severance pay is received after employment termination in two or more payments, it is countable unearned income; code 'OF'. If paid in a nonrecurring lump sum, it is excluded; code 'LS'.

### SICK LEAVE/ VACATION PAY

Sick leave or vacation pay received while still employed is countable earned income (FS 502-1).

Vacation pay received after employment termination is considered severance pay.

Sick leave pay that is received in two or more payments after employment termination is countable unearned income; code 'OF'.

Section: INCOME

Subject: Unearned Income

If paid in a nonrecurring lump sum, it is excluded; code 'LS'.

**SPINA BIFIDA CHILDREN**

Payments to children of Vietnam veterans for disabilities resulting from spina bifida are excluded; code 'OX'.

**SPONSORED ALIENS**

The amount of the sponsor's income deemed to be available to the sponsored alien is countable unearned income (FS 301-3).

**STRIKER INCOME**

If the household was eligible for food stamp benefits the day prior to the strike and is otherwise eligible at the time of application, the household may be eligible for benefits. The benefit is not increased because of the decreased income of the striking member. Compare the striking member's income before the strike to the striker's current income. The higher of the two incomes is countable income.

Income received from the union during a strike (e.g., income from being on a picket line) is countable unearned income; code 'CO'. If the income is actually wages, it is earned income; code 'WA' on EAIN.

**SUBSIDIZED GUARDIANSHIP**

The income is considered the same as foster care payments.

Payments are countable unearned income to the child when the child is included in the filing unit.

Payments are excluded when the child is not included in the filing unit.

**SUPPORTIVE SERVICE PAYMENTS**

Supportive services payments to households through TANF are excluded income; code 'OX'.

**TEMPORARY DISABILITY INSURANCE**

Income is countable to the extent it is not a reimbursement for specific costs and is paid directly to the household; code 'TD'.

**Example:** Household is receiving payments of \$50 directly from an insurance company to be used as chosen by the household for expenses. Even if the intent of the insurance company is for the beneficiary to use payments toward car rental or medical bills, the household is not required to do so. The \$50 is countable; coded 'TD'.

**TRUST FUNDS**

Trusts must be evaluated for accessibility according to FS 402-3.

Monies withdrawn from an inaccessible trust fund, unless otherwise excluded are countable in the month received.

Section: INCOME

Subject: Unearned Income

Monies withdrawn from an accessible trust fund are excluded as income because an accessible trust fund is a countable resource. Money cannot be considered income and resource in the same month; code 'OX'.

Monies received and used for the care and maintenance of a third party beneficiary (adult or child) who is not a member of the trustee's filing unit are excluded as income for the trustee; code 'OX'. It is a best practice to list this income on TEAMS.

When the household has the option of receiving the dividend as income or reinvesting in the trust, it is countable unearned income in the month it is available; code 'OT'.

#### UNEMPLOYMENT COMPENSATION

Unemployment compensation payments are countable; code 'UI'. OPA Case Manager accesses the MISTICS (Department of Labor and Industry) system to verify unemployment benefits.

**NOTE:** The gross amount of the unemployment payment is countable before taxes or child support is deducted. The child support deduction is allowed when appropriate.

#### UNIFORM RELOCATION ASSISTANCE

Payments under the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 are excluded; code 'OX'.

These payments include:

1. Payments to individuals displaced as a result of the acquisition of real property;
2. Relocation payments to a displaced homeowner toward the purchase of a replacement dwelling. The payment may only be to a displaced owner who purchases and occupies a dwelling within one year following displacement;
3. Replacement housing payments to a disabled person not eligible for a homeowner's payment as listed above; and,
4. Payments to U.S. citizens of Japanese ancestry and resident Japanese aliens of up to \$20,000 each and payments to certain eligible Aleuts of up to \$12,000 each.

#### VENDOR PAYMENTS

A payment made in money on behalf of a household is a vendor payment when an individual or organization outside of the household uses its own funds to make a direct payment to the household's



Section: INCOME

Subject: Unearned Income

creditors or to a person or organization providing a service to the household. Most vendor payments are excluded; code 'OX'.

Payments made by a government agency to a child care provider for a household member's child care expenses are excluded as vendor payments.

Some countable income exceptions are:

1. Money legally obligated or payable to the household but is diverted by the provider of the payment to a third party for a household expense;
2. Money deducted or diverted from a court-ordered support or alimony payment to a third party for a household expense because the payment is taken from money owed to the household;
3. All or part of TANF or Tribal TANF usually provided in a money payment to the household but is diverted to a third party or a protective payee for purposes such as managing the household's expenses; or,
4. Rent or mortgage payments made to landlords or mortgagees through county or BIA General Assistance.

#### **VETERANS ADMINISTRATION**

Payments from the Veterans Administration, retirement, or disability payments are countable; code 'VA'.

**EXCEPTION:** 'Agent Orange Settlement Fund', 'Spina Bifida', and 'Health Care Improvement Act of 2000'.

The portion of a military retirement payment paid to an ex-spouse under a divorce decree property settlement is **not counted as income to the retiree**. Since retired civil servants are not covered under the Uniform Services Former Spouse Protection Act, the full payment to a **retired civil servant is countable income**. The amount diverted to the ex-spouse is legally obligated and payable to the retired civil servant's household. It is not considered legally obligated to the military retiree's household and is excluded for the military retiree.

#### **VETERANS AID AND ATTENDANCE PAYMENTS**

Payments from the Veterans Administration for aid and attendance are countable; code 'VA AA'.

Section: INCOME

Subject: Unearned Income

**NOTE:** If the payments are paid to someone outside of the household for services, they are excluded as a reimbursement.

Attendant care payments, paid by an outside source to the attendant care provider for a disabled/elderly household filing unit member, are countable earned income to the attendant care provider; code 'WA'.

**WEATHERIZATION** Federal, state or local one-time payments for weatherization and replacement or repair of heating or cooling devices are excluded.

**WOMEN, INFANTS AND CHILDREN (WIC)** The value of assistance to children under the Supplemental Food Program for Women, Infants and Children (WIC) is excluded and is not entered on TEAMS.

**WORKERS' COMPENSATION** Workers' Compensation payments are countable; code 'WC'.

**NOTE:** If attorney fees are being taken from the Workers' Compensation payments, the gross amount is counted as income because it is legally obligated and payable to the household.

**WORK SUPPORT PAYMENT (WSP)** A Work Support Payment (WSP) is money allocated to help the participant bridge the gap between the TANF cash assistance closure and the receipt of employment income to the household. A TANF household that meets eligibility criteria will be eligible for a payment the month following closure of TANF benefits. The household does not have to apply for WSP. The OPA Case Manager will automatically evaluate each case closed with an IEN (Income Exceeds Needs) closure code and verify that criteria for a qualifying event has been met.

For ongoing food stamp cases, the WSP is excluded unearned income. The OPA Case Manager cannot anticipate the WSP to be received until it is authorized after TEAMS cut off which does not allow the household timely notice for decreased benefits. The income is coded 'OX' on UNIN.

For new applications, the WSP is countable unearned income when the payment is authorized on the same day or before the food stamp application is approved. The income is coded 'OF' on UNIN.

**Example 1:** TANF benefits are closed on March 6th with a closure date of March 31st. TANF is closed due to IEN. The

WSP is authorized in March after the TEAMS cut off date of March 28th. The WSP is excluded for food stamp benefits for April; coded 'OX' on UNIN.

**Example 2:**

A food stamp case is closed on May 9th with a closure date of May 31st because the household did not submit its six month report. On May 17th TANF benefits close with closure date of May 31st. TANF closed due to IEN. The WSP is authorized in May after the TEAMS cut off date of May 25th. The household reapplies for food stamp benefits on June 15th. The WSP is countable unearned income to the household for June benefits; coded 'OF' on UNIN.

Department of Public Health  
and Human Services

Section:  
INCOME

FOOD STAMP PROGRAM

Subject:  
Native American Income

**Supersedes:** FS 501-2 (04/01/04)

**References:** 7 CFR 273.2; 7 CFR 273.9; 7 CFR 273.11; P.L. 104-193 Section 807; 213; 221;

GENERAL RULE -- All unearned income received by the filing unit is considered when determining eligibility for the Food Stamp Program. All unearned income, whether countable or excluded according to policy, is entered and coded appropriately on the TEAMS UNIN screen.

## INDIAN MONIES

Indian Monies may be countable or excluded depending on the source and amount.

The following Indian Monies are excluded sources; code 'ID':

1. Payments derived from leases or other uses of **individually-owned** trust or restricted lands up to \$2,000 per individual **per calendar year**. The amount in excess of \$2,000 must be counted.
2. Judgment claim payments under:
  - P.L. 97-408 to the Blackfeet, Grosventre and Assiniboiné Tribes of Montana and Papago, Arizona Tribe;
  - Alaska Native Claims Settlement Act (P.L. 92-203);
  - P.L. 93-532, Section 22 to Navajo or Hopi Indians as financial or relocation assistance;
  - P.L. 94-540 to Grand River Band of Ottawa Indians;
  - P.L. 95-433 by the Indian Claims Commission to the Confederated Tribes and Bands of the Yakima Indian Nation or the Apache Tribe of the Mescalero Reservation;
  - P.L. 96-420 to Passamaquoddy Tribe and Penobscot Nation pursuant to the Maine Indian Claims Settlement Act of 1980;
  - P.L. 97-403 to the Turtle Mountain Band of Chippewas;
  - P.L. 98-123, Section 3, to the Red Lake Band of Chippewa Indians;
  - P.L. 99-264 to the White Earth Band of Chippewa Indians in Minnesota;
  - P.L. 99-346 to the Saginaw Chippewa Indian Tribe of Michigan;

Section: INCOME

Subject: Native American Income

- P.L. 101-41 to the Puyallup Tribe of Indians Settlement Act to members of the Puyallup Tribe in Washington;
  - P.L. 101-503, Section 8 (b) to the Seneca Nation;
  - P.L. 103-436, Section 7 (b) Grand Coulee Dam Settlement Act to the Confederated Tribes of the Colville Reservation;
  - 25 USCS 1931 Indian Child Welfare assistance;
  - P.L. 98-500, Section 8, Old Age Assistance Claim Settlement Act except for per capita payments in excess of \$2,000; and,
  - Payments to the Seminole Nation of Oklahoma, Seminole Tribe of Florida, Miccosukee Tribe of Florida and independent Seminole Indians of Florida except for per capita payments in excess of \$2,000.
3. Payments derived from sub-marginal lands held in trust for the following tribes under P.L. 94-114:
- Bad River Band of the Lake Superior Tribe of Chippewa Indians of Wisconsin;
  - Blackfeet Tribe;
  - Cherokee Nation of Oklahoma;
  - Cheyenne River Sioux Tribe;
  - Crow Creek Sioux Tribe;
  - Lower Brule Sioux Tribe;
  - Devils Lake Sioux Tribe;
  - Fort Belknap Indian Community;
  - Assiniboine and Sioux Tribes;
  - Lac Courte Oreilles Band of Lake Superior; Chippewa Indians;
  - Keweenaw Bay Indian Community;
  - Minnesota Chippewa Tribe;
  - Navajo Tribe;
  - Oglala Sioux Tribe;
  - Rosebud Sioux Tribe;
  - Shoshone-Bannock Tribes; and,
  - Standing Rock Sioux Tribe.
4. Per capita to enrolled members of the following tribes when distributed under:
- P.L. 98-124, Section 5**
- Assiniboine Tribe of the Fort Belknap Indian Community and Assiniboine Tribe of the Fort Peck Indian Reservation.

**P.L. 99-146, Section 6 (b), Docket 18S and 18U**

- Bad River Reservation;
- Lac du Flambeau Reservation;
- Lac Courte Oreilles Reservation;
- Sokaogon Chippewa Community;
- Red Cliff Reservation;
- St. Croix Reservation;
- Keweenaw Bay Indian Community;
- Fond du Lac Reservation;
- Grand Portage Reservation;
- Nett Lake Reservation; and,
- White Earth Reservation.

**P.L. 99-146, Section 6 (b), Docket 18C and 18T**

- Lac Courte Oreilles Band of the Lake Superior Bands of Chippewa Indians;
- Bad River Bank of the Lake Superior Tribe of Chippewa Indians of the Bad River Reservation;
- Sokaogon Chippewa Community of the Mole Lake Bank of Chippewa Indians; and,
- St. Croix Chippewa Indians of Wisconsin.

**P.L. 99-377 Section 4 (b)**

- Chippewas of the Mississippi.

**P.L. 94-189**

- Sac and Fox Tribe of the Mississippi, Iowa and Oklahoma.

**P.L. 97-458, 93-134 and 98-64**

- Any other per capita payments of up to \$2,000 per person, per payment, from funds held in trust by the Secretary of the Interior.

5. Interest earned on excluded funds.

The following Indian Monies are countable sources:

1. Amounts exceeding \$2,000 per individual **per calendar year** received from leases or other uses of **individually-owned** trust or restricted lands; code 'ID' the amount up to and including \$2,000 on UNIN as a running total for the calendar year.

The best estimate of this year's income can be made on the previous 12-month's receipts of lease income as long as no significant change is expected.

The amount in excess of the \$2,000 in a calendar year should be annualized.

Previous 12 months receipts of lease income -  $\$2,000 \div 12 =$  prospected monthly income.

2. Bureau of Indian Affairs (BIA) payments; 'OT';
3. Tribal payments; code 'OT';
4. Farm and grazing lease income from land other than trust or restricted lands; code 'LE';
5. Oil and gas royalties income from land other than trust or restricted lands; code 'RO';
6. Mineral rights income from land other than trust or restricted lands; code 'LE';
7. Interest payments; code 'DI'; and,

**NOTE:** Interest payments from excluded funds are excluded.

8. Transfers of countable monies from other Indian agencies.

≥

9. Per capita payments derived from casino profits operated by a tribe. The gross amount of payments are countable unearned income; code 'OF' on UNIN.

**NOTE:** If payments to children are placed in an inaccessible trust fund, they are excluded.

TP

Department of Public Health  
and Human Services

Section:  
INCOME

FOOD STAMP PROGRAM

Subject:  
Earned Income

**Supersedes:** FS 502-1 (04/01/06)

**References:** 7 CFR 273.2, 273.9, 273.11

**GENERAL RULE** -- All earned income received by the filing unit is considered when determining eligibility for the Food Stamp Program. All earned income, whether countable or excluded according to policy, is entered and coded appropriately on the TEAMS EAIN and/or SEEI screens.

### **ADVANCES ON WAGES**

Advanced wages are countable in the month received when the advance is anticipated; code 'WA'.

**NOTE:** The amount withheld from subsequent paychecks to repay the advance is excluded income, even if the advance was not counted when it was received.

### **AMERICORPS AND AMERICORP\*VISTA**

Americorp NCC, Americorp 'direct', and Americorp\*VISTA administers a number of different programs. The funding source must be verified if questionable.

Americorp NCC currently does not administer any programs in Montana.

Payments from programs administered by AmeriCorp 'direct' are excluded.

**NOTE:** Montana Conservation Corp is a program administered by Americorp 'direct' and payments are excluded.

Americorp\*VISTA payments, also known as VISTA, are excluded for individuals receiving food stamps at the time they joined VISTA. Americorp\*VISTA payments are countable for individuals who were not authorized to receive food stamps at the time they joined VISTA. Americorp\*VISTA payment should be identifiable as an Americorp\*VISTA stipend.

**NOTE:** An individual is considered to have joined VISTA on the date the individual takes his/her oath of service and is sworn in.

**Example:** A household submits an application for food stamp benefits on January 16th. The household joins VISTA January



Section: INCOME

Subject: Earned Income

17th. The household is interviewed on January 28th and provided all the necessary verification that day. Food stamp benefits are approved on January 29th effective January 16th.

The VISTA income is countable earned income because the household was not authorized to receive food stamp benefits by January 17th.

#### **ATTENDANT CARE PAYMENT**

Attendant care payments, paid by an outside source to the attendant care provider for a disabled/elderly household filing unit member, are countable earned income to the attendant care provider; code 'WA'.

Attendant care payments paid from the outside source to the disabled/elderly household member receiving the care are excluded as reimbursements.

The payment is not counted twice.

#### **BONUS PAY**

Bonus pay (e.g., received every Christmas, quarterly, annually, etc.) is countable earned income; code 'WA'.

A clear understanding of how the bonus pay is earned and when it is paid is needed to prospectively budget this income.

#### **COMMISSION**

Commission is countable earned income regardless of how often it is paid; code 'WA'.

A clear understanding of how the commission is earned and when it is paid is needed to prospectively budget this income.

#### **CONTRACTUAL INCOME**

Average the income over a 12 month period for a household earning its entire annual income by contract in a period less than one year. These households may include school employees, sharecroppers, farmers, other self-employed households, etc.

**EXCEPTION:** This does not apply to migrant seasonal farm workers. Income received hourly or on a piece work basis is averaged over the period the income is intended to cover.

#### **DISASTER RELIEF EMPLOYMENT**

Disaster relief employment income received from a National Emergency Grant is excluded income. The Department of Labor should be able to verify whether the source of income is from a National Emergency Grant under the Workforce Investment Act (WIA). The source of income must be verified if the individual suffered a job loss or

Section: INCOME

Subject: Earned Income

was unemployed due to a recent disaster, if the employment is deemed temporary (less than six months), and if the type of work is disaster related.

**DISLOCATED  
WORKER**

The Dislocated Worker program is funded by WIA (Pages 7-8). Payments received by participants over the age of 19 years old through WIA are countable earned income.

**EXCEPTION:** Payments to an enrolled American Indian, veteran, migrant/seasonal farm worker are excluded; and, payments to dependents under age 19 years old are excluded.

**DISPLACED  
HOMEMAKER**

The State Displaced Homemaker program funded by the state general fund. The income is countable earned income.

**DOMESTIC  
VOLUNTEER  
SERVICE  
ACT INCOME**

The following payments to volunteers are excluded; code 'OX'.

1. Title II Retired Senior Volunteer Program (RSVP); and,
2. Title III Service Corps of Retired Executives (SCORE), Senior Companion Program and Active Corps of Executives (ACE).

**EARNED INCOME  
OF CHILDREN**

Earned income of an individual under age 18 years old **is excluded** through the month of the individual's 18th birthday when:

1. The individual is at least a half-time elementary, high school, or home schooled student; **and**,

**NOTE:** Half-time is defined by the institution or local school system. Semester breaks, summer vacations, etc. do not alter this exclusion providing the student is anticipated to resume enrollment after the break.

2. The individual lives with a natural, adoptive or stepparent or is under parental control of a household member.

Earned income **is countable** for individuals under age 18 years old working, and/or attending high school, and living on their own.

**EARNED INCOME  
OR CHILD TAX  
CREDIT**

Earned Income Tax Credit (EITC) payments and Child Tax Credit received as advance payments or as a refund, are excluded earned income; code 'EI'.

**FAMILY  
SUBSISTENCE**

A Family Subsistence Supplemental Allowance (FSSA) is paid to certain certain service members and their families, if determined eligible by the

Section: INCOME

Subject: Earned Income

**SUPPLEMENTAL  
ALLOWANCE (FSSA)**

Department of Defense. The amount of FSSA is shown on the member's Leave and Earnings Statement.

FSSA is countable earned income; code 'WA'.

**GARNISHMENTS  
FROM WAGES**

Garnishments deducted from wages for a debt (except for previous advance on wages) are countable earned income; code 'WA'.

**NOTE:** The garnished amount is an allowable expense if garnished due to a legally obligated child support debt.

**GOVERNMENT  
TRAINING  
ALLOWANCES**

The source of funding of the specific government training allowance must be known to determine whether the income is earned or unearned and countable or excluded. The training allowances are excluded if they are a reimbursement.

Training allowances from vocational and rehabilitative programs recognized by federal, state or local governments such as Work Readiness Component (**WoRC**) of TANF and Tribal Work Experience Program (**TWEP**), are countable earned income.

**IN-KIND  
BENEFITS**

In-kind benefits are a gain or benefit that is not in the form of money payable directly to the household, such as meals, clothing, housing, produce from a garden, and vendor payments.

In-kind benefits are excluded; code 'IK'.

**Example:** A household manages a duplex in exchange for rent and utilities. There is no income to count and no shelter deduction allowed.

**IRREGULAR  
INCOME**

Income received too infrequently or irregularly to be reasonably anticipated is excluded earned income IF the infrequent or irregular income of all household members does not exceed \$30 in a quarter.

**JURY DUTY**

Evaluate how individuals on jury duty are compensated to determine whether the jury duty payment is countable or excluded earned income.

When the jury duty is paid over a time period of several days or weeks at a specific amount (e.g., \$15 per day) and can be anticipated, the payment is countable earned income.

Jury duty income is excluded when:

1. The jury duty pay meets the definition of irregular or infrequent income; or,

Section: INCOME

Subject: Earned Income

2. The individual verifies the payment was given to their employer; or,
3. The jury pay is a reimbursement.

**LUMP SUM  
PAYMENTS**

Nonrecurring lump payments are excluded as income.

Nonrecurring lump sum payments may include:

1. Income tax refund;
2. Rebates or credit refunds; and,
3. Crop insurance proceeds (FS 503-1).

**MILITARY BASIC  
ALLOWANCE FOR  
HOUSING (BAH)**

The Basic Allowance for Housing (BAH) is one monthly payment, replacing the Variable Housing Allowance (VHA) and Basic Allowance Allowance for Quarters (BAQ).

BAH (BAQ or VHA) is countable earned income.

**MILITARY PAY**

Military pay is countable wages if earned; code 'WA'.

**EXCEPTION:** The mandatory salary reduction for military service personnel used to fund the GI Bill is excluded from income.

**MILITARY  
RE-ENLISTMENT  
BONUSES**

Military re-enlistment bonuses are paid in one of two ways: a lump sum; or up to 50% of the bonus amount as an initial payment with the remainder of the bonus paid in equal annual payments. It is up to the military service to decide which military grades/series receive re-enlistment bonuses and how much the re-enlistment bonus is. This means the Navy, Marines, Army, and Air Force can have their own policies regarding payment of re-enlistment bonuses. The OPA Case Manager must verify what the payment policy is depending on the military service.

How the bonus is paid out determines how it is counted:

1. If a household receives a lump-sum re-enlistment bonus, it is exempt from income as a non-recurring lump sum payment. The money is counted as a resource in the month it is received.
2. If a household receives up to half of the bonus pay as an initial payment with the remaining bonus paid in equal annual

Section: INCOME

Subject: Earned Income

installments, the bonus is counted as earned income. It is averaged over a 12-month period since the bonus is paid annually.

**Example:** A woman receives \$800 that is half of the bonus amount as an initial payment in June. She receives another \$800 over the next 12 months.

\$1600 divided by 12 months = \$133.33; code 'WA'.

### **OLDER AMERICANS ACT**

Payments are excluded from programs funded under Title V of the Older Americans Act of 1987 and include:

1. Experience Works Inc., also known as Green Thumb;
2. Forest Service;
3. American Association of Retired People (AARP);
4. National Council on Aging;
5. National Council of Senior Citizens; and,
6. Foster Grandparent Program.

### **PLAN FOR ACHIEVING SELF-SUPPORT (PASS)**

Money diverted from an individual's income to a PASS account is excluded.

### **ROYALTY INCOME**

**Definition of Royalties** - royalties include compensation paid to the owner for the use of property usually copyrighted material such as books, music, etc., or natural resources such as, mineral, oil, gravel or timber, etc.

The only earned royalties are derived from a self-employment business enterprise (FS 503-1).

Unearned Royalties (501-1).

### **SALE OF BLOOD**

Gross income from the sale of blood or blood plasma is countable earned income.

### **SEVERANCE PAY/ SICK LEAVE/**

Sick leave or vacation pay received while still employed is countable earned income; code 'WA'.

Section: INCOME

Subject: Earned Income

**VACATION PAY**

Vacation pay received after employment termination is severance pay and considered unearned income (FS 501-1).

Sick leave pay received after employment termination is considered unearned income (FS 501-1).

**TIPS**

Tips are countable earned income; code 'TI'.

A clear understanding of how tips are earned and paid is needed to prospect this income. Verification varies depending on how the tips are reported, shown on wage stubs, and are paid. Acceptable verification of tips may include: the individual's daily tip log, pay stubs, or an employer statement.

**VENDOR PAYMENT**

An **unearned** vendor payment is money paid directly to the household's creditors, a person, or an organization that provided a service to the household. A vendor payment is made on behalf of the household by a person or organization that is not in the household (FS 501-1).

Money legally obligated or payable to the household as earnings but is diverted to a third party for a household expense, is countable earned income.

**Example:** A household member works and is entitled to earnings of \$500. The employer garnishes or diverts \$200 of the earnings to the employee's landlord for rent and pays the employee the remaining \$300. The \$500 is countable earned income; coded 'WA'. The \$200 rent expense diverted by the employer is allowed as a rent expense.

**WAGES FROM EMPLOYMENT**

Gross wages are wages before taxes, insurance, etc., are deducted. Gross wages include salary and commission earnings and are countable earned income; code 'WA'.

**►WORK STUDY INCOME**

Earnings from work study are excluded as educational income. If a student exhausts work study hours and continues working, the income received is no longer considered excluded educational income (coded 'WS' on the EAIN screen), but is countable wages (coded 'WA' on EAIN screen).

**WORKFORCE INVESTMENT ACT (WIA)**

The Workforce Investment Act (WIA) replaced Job Training Partnership Act (JTPA).

**Work Experience (WEX)** wages paid to the participant by the sponsoring WIA agency are excluded earned income; code 'WX'.

Section: INCOME

Subject: Earned Income

**WIA On-the-Job-Training (OJT)** wages paid to the participant by the employer are earned income.

OJT payments received by participants over the age of 19 years old through WIA are countable earned income.

**EXCEPTION:** OJT payments to an enrolled American Indian, veteran, migrant/seasonal farm worker, and to dependents under age 19 years old are excluded.

TP

Department of Public Health  
and Human Services

Section:  
INCOME

FOOD STAMP PROGRAM

Subject:  
Self-Employment Income

**Supersedes:** FS 503-1 (04/01/06)

**References:** 7 CFR 273.10 and 7 CFR 273.11; ARM 2.4.113

GENERAL RULE -- Net earnings from self-employment must be counted when determining eligibility for the Food Stamp Program.

### **DEFINITION OF SELF- EMPLOYMENT**

Self-employment is the act of engaging in a trade or business. A trade or business is generally an activity carried on for a livelihood or in good faith to make a profit. An individual does not have to make a profit to be in a trade or business as long as a profit motive exists. The individual may be a contractor, franchise holder, owner/operator, partner, etc. The individual must meet the following criteria to be considered self-employed:

1. They earn their income directly from their business or trade not from wages or salary from an employer;
2. They are responsible for the payment of their entire Social Security and Federal withholding taxes;
3. They do not have an employee/employer relationship with another individual, and the services performed cannot be controlled by an employer such as setting the job schedule, etc.; and,
4. They *should* file self-employment tax forms (Schedule F, C, C-EZ, SE, Form 1065, etc.). However, not all individuals file tax forms and some may file incorrectly.

### **SELF- EMPLOYMENT STRUCTURES**

There are many types of self-employment structures. Some of the more common structures are:

1. Sole Proprietorship: A self-employment business that is not incorporated and has one owner. The business income and liabilities are the responsibility of a single owner.
2. Partnership: A self-employment business set up with two or more partners. In addition to personal income tax forms, partnerships are also required to file 1065 and K-1 forms. The business income and liabilities are the responsibility of all the partners with the partnership defining shares of ownership and responsibility. Partnership income is determined in the same way as other self-employment.



Section: INCOME

Subject: Self-Employment Income

3. Independent Contractor: An individual who pays their own employment taxes and does not have an employee/employer relationship is considered self-employed.
4. Sharecropper: If the sharecropper pays the costs of doing business and receives a portion of the net income in exchange for labor, the sharecropper is considered self-employed. The sharecropper is not considered self-employed if the sharecropper is not responsible for paying the costs of doing business.

**CORPORATIONS**

Corporations can be considered self-employment enterprises; however, the income individuals receive is not considered self-employment income. Any wages received by an individual from the corporation are countable earned income when received; code 'WA' on EAIN.

**EXCEPTION:** Although wages paid to corporate officers are considered wages, fees paid to corporate directors are considered self-employment earnings.

Any corporate income reported on Schedule E, Line 31 as income received from a corporation must be annualized and used as countable unearned income even if the household did not receive the money.



Any loss reported on Schedule E, Line 32, as loss received from a corporation is not used in any budget calculation.

**EARNED VS. UNEARNED**

Self-employment income is generally considered earned income.

The income is considered unearned income and coded on UNIN if any of the following occur:

1. Rental self-employment income and rental partnership income, and the individual is not actively participating in the business at least 20 hours per week (FS 501-1);
2. Contract for deed income (FS 501-1); or,
3. In some instances boarder income (FS 201-4).

**RESOURCES**

Property essential to self-employment is excluded as a resource. **Possible** exclusion of some resources are:

1. Property Essential for Self-employment (FS 402-1);
2. Income Producing Property (FS 402-1); and,
3. Business Checking Accounts (FS 402-1).

Section: INCOME

Subject: Self-Employment Income

**NOTE:** Money in a business checking account is a countable resource, but the self-employment funds prorated as income are excluded as a resource. The self-employment funds prorated as income retain their exclusion for the time they are prorated as income even if the funds are commingled. The portion of the funds prorated as self-employment income is coded 'BC' on FIAC.

## INCOME EXCLUSIONS

The following are income exclusions:

1. Federal gasoline tax credit;
2. State gas tax;
3. Disaster payments (FS 501-1);
4. Crop insurance payments; and,

**NOTE:** If a Federal Insurance Corporation Payment or a private insurance payment is paid in a lump sum, it is excluded as income and counted as a resource.

If the payment is from a private insurance company and pays the household in installments, it is countable unearned income.

5. Patronage dividends paid to a self-employment enterprise. Patronage dividends, paid by cooperatives in cash, are countable unearned self-employment income (FS 501-1).

If the patronage dividends are paid in stock, they are counted as a resource (FS 402-1).

## AGRICULTURAL STABILIZATION & CONSERVATION SERVICES (ASCS)

Cash payments are counted as earned self-employment income. These include but are not limited to: Commodity Credit Corporation, acreage reduction and conservation payments, and other one-time or installment payments made to farmers for crop or other losses unrelated to a presidentially declared disaster.

If the payment is due to a presidentially declared disaster, it is excluded as both income and a resource due to the Disaster Relief Act.

Section: INCOME

Subject: Self-Employment Income

**CANCELED DEBT**

If canceled debt appears on any of the tax forms, **it should not be counted.** Before disregarding canceled debt claimed by a household, the household is required to provide a statement from the lending institution verifying the canceled debt.

**CAPITAL GAINS  
CAPITAL LOSSES**

Capital gains are increases in the value of property between the time purchased and the time sold. Capital losses are decreases in the value of property between the time purchased and the time sold. Depreciation is considered when determining whether capital gains/losses occur for self-employment businesses. Capital gains/losses are usually determined at the time property is sold.

Capital gains from the sale of self-employment property must be annualized as part of the net earnings from self-employment whether paid in a lump sum or in installments. Capital gains are included in prospectively budgeting self-employment income if capital gains are received or are expecting to be received prospectively for next year.

Capital losses are not used in any self-employment income determination. They are not considered business expenses or deductions.

**BARTERING**

Bartering is considered in-kind services exchanged between two self-employed businesses such as an exchange of storage space for furnace repair.

**ALLOWABLE  
EXPENSES OF  
PRODUCING SELF-  
EMPLOYMENT  
INCOME**

Allowable expenses of producing self-employment income are excluded from the gross self-employment income. Most costs of doing business are allowable expenses and may be accepted as listed on the income tax forms with few exceptions. Self-employment income for food stamp purposes is not computed the same as it is for Internal Revenue Service (IRS) purposes. The IRS forms may only be used for verification purposes. Expenses must be current, not due from a previous fiscal period, and are allowed when they are billed or otherwise become due.



**NOTE:** Some self-employed individuals do not claim all expenses on their Schedule C in order to qualify for Earned Income Tax Credit. The allowable expenses not shown on the Schedule C can be verified by the household and used in determining accurate self-employment earnings.

Allowable costs of producing self-employment income include, but are not limited to:

1. Payments on the principal of the purchase price of income producing real estate and capital assets, equipment, machinery, and other durable goods even if the capital asset or durable good is

Section: INCOME

Subject: Self-Employment Income

not set up on a depreciation schedule. Capital assets and durable goods are objects used in business expected to last a long time such as farm machinery, equipment, swing sets, buildings, computers, cribs, VCRs, DVDs, furniture, high chairs, tricycles, vehicles, hair dryers, etc.

2. Interest paid to purchase income producing property, insurance premiums, and taxes paid on income producing property.
3. Labor paid to non-household members (individuals not included in the filing unit), materials, seeds, supplies, plants and fertilizer, interest payments on business loans and operating loans, business portion of home property or expense, repairs, etc.

**NOTE:** Supplies include small tools, paper, pencils, scissors, oil, gas, envelopes, shampoo, hairbrushes, crayons/color books, etc. Supplies are generally described as objects usually used up or consumed in service.

**NOTE:** Transportation costs for doing business may be allowed; however, the cost of commuting to the business from home is not allowed. Mileage expense is allowed at the Federal business expense rate. The current rate can be found by searching for the current year standard mileage rate at [www.irs.gov](http://www.irs.gov).

**DEPENDENT  
CARE BUSINESS  
EXPENSES  
(Cost of meals)**

Household's income from dependent care, such as a providing day care for children, elderly, or disabled individuals may elect one of the following methods to determine the cost of meals provided to the individuals:

1. Actual documented meals;
2. A standard per day amount based on estimated meal costs; or,
3. Current reimbursement amounts in the Child and Adult Care Food Program.

**EXPENSES NOT  
ALLOWED FOR  
PRODUCING SELF-  
EMPLOYMENT  
INCOME**

Non-allowable expenses must be added back into the self-employment income if income tax forms are used or not allowed as a deduction in the monthly calculation of self-employment income.

Expenses not allowable include:

1. Net losses from previous periods;

Section: INCOME

Subject: Self-Employment Income

2. Personal federal, state, and local income taxes; money set aside for retirement purposes; and other work related expenses such as transportation to and from work;
3. Depreciation is added back into income when it is used as a deduction from self-employment income. Self-employment forms must be reviewed to ensure all depreciation expenses are considered (e.g., Schedule C, line 13; Schedule C-EZ, line 2; Schedule E, line 20; Schedule F, line 16; Form 8829, line 28; Form 1065-16a; or any income forms attached to the 1065 like Schedule F);
4. Any amount that exceeds the payment a household receives from a border for lodging and meals;
5. Social Security taxes;
6. Meal and entertainment costs;
7. Charitable contributions;
8. Clothing not specific to any one job; and,
9. Penalties and fines.

**SELF-  
EMPLOYMENT  
CONNECTED TO  
HOME (E.G.,  
FARM EXPENSES)**

When a household's home is on property connected to the property used for farming or another self-employment business enterprise, the OPA Case Manager must determine if the shelter costs (e.g., rent or mortgage) and the self-employment costs can be separately identified.

If necessary, the OPA Case Manager is required to determine a breakdown of farm (business) expenses from personal home shelter expenses by using:

1. Household's calculation of breakdown;

**NOTE:** The 'Farm Self-Employment Questionnaire' (DPHHS-HCS-516) can be used as a tool to determine if the household included any personal shelter expenses with their farm deductions.

2. Income tax form breakdown; OR,

**NOTE:** If the household presents self-employment tax records (Schedule F), do not question the shelter deductions

(utilities, insurance, interest, etc.) included on those documents.

3. Verifications submitted by the household such as: tax verifications (Ag/Nag); loan papers indicating costs of farm land, buildings, equipment, etc. versus costs for house/garage/personal equipment; insurance policy breakdowns of cost of premiums for farm and personal home costs.

If utilities are measured and billed separately, the household is entitled to the appropriate mandatory utility allowance for its residence, and to the separately billed utility costs as a self-employment cost of doing business.

If utility costs cannot be separately identified, the household is entitled to the appropriate mandatory utility allowance for its residence and does not receive a self-employment expense.

**NOTE:** In most instances a separate amount of utilities should be identifiable. A means of identifying costs separately is to subtract the appropriate mandatory utility allowance for the residence from the total utility costs. The remainder is allowed as a cost of doing business.

If the household uses part of the house such as a separate room or a separate apartment solely for the self-employment business and there is a central meter, the household is entitled to the appropriate mandatory utility allowance for its residence and no exclusion of utilities for the cost of doing business.

**Example 1:** Farmer Ed does not provide proof of his separate business and personal shelter expenses. Ed is not allowed any shelter expenses.

**Example 2:** Farmer Ed later provides the breakdown of his business and personal shelter expenses. He chose not to use the business portion of his shelter expenses as a business deduction. His allowable shelter expenses are the portions of his shelter expenses for personal use and appropriate mandatory utility allowance for his residence. Even though he did not use the business portion of his shelter expenses as a business expense, that portion cannot be used as a personal shelter expense.

The business (farm) share of expenses is only allowed as a deduction from self-employment income and cannot be allowed as a shelter deduction. The household is not

required to deduct the business (farm) share even if it can be separated from other expenses.

### IN-HOME BUSINESS EXPENSE

When the self-employment business is conducted in the household's home, and the household wants to claim a portion of its shelter expenses as a business deduction, the OPA Case Manager must separate business expenses from personal shelter expenses. The portion of the home used on an exclusive basis for a business is allowed as a business expense. However, the household is not required to use the business portion as a business deduction. The household is entitled to the mandatory utility allowance for its residence and no exclusion of utilities for the cost of doing business.

**NOTE:** If the expense is not used as a self-employment expense, it **can** be used as a shelter expense.

A substantial amount of time must be spent doing business in the home (not occasionally) to use home shelter costs as a business expense.

If the in-home business **is NOT** related to dependent care, the business must also meet one of the following two conditions.

1. An allowance for space regularly used for inventory storage may be allowed if the space is identifiable and only used for self-employment; **or**,
2. The portion of the home must be used on an exclusive basis. The space allocated to the business must be used only for the business.

The OPA Case Manager determines the usage of home with the agreement of the household for business purposes by:

1. The household's calculation of use;

**NOTE:** The 'Self-Employment Questionnaire' (DPHHS-HCS-518) may be used as a tool for businesses other than farming or dependent care. The 'Self-Employment Questionnaire for Dependent Care Providers' (DPHHS-HCS-517) may be used as a tool for dependent care providers.

2. Form 8829 percentage (only if the business and personal home costs are separated on this form);
3. The ratio of business square footage to square footage of the entire home; or,

4. The 'Dependent Care Usage Chart' (for dependent care businesses only) at the end of this section.

The business share of home expenses is allowed as a deduction from the self-employment income as long as it is not also used as a shelter deduction. The household is not required to deduct the business share even if it can be separated from other expenses.

## BUDGETING

Most self-employment budgets are annualized (FS 601-1). Self-employment income intended to support the household on an annual basis is annualized. Temporary or seasonal self-employment income or when a business is not in operation for an entire year is income not representing annual support and is averaged over the period it is intended to cover.

The following self-employment incomes are always annualized regardless of whether or not the income is intended to support the household on an annual basis:

1. Farm income; and,
2. Self-employment income received less often than monthly (e.g., income received quarterly, bi-monthly, annually, etc.).

**Example 1:** Joe is a self-employed logger. He does not work during the spring due to 'spring break-up' (cannot log due to mud). His yearly income is annualized even though he only works nine months per year because his self-employment represents his annual intended support to the household. Self-employment counts as earned income even in the months Joe is not working.

**Example 2:** A vendor works only in the summer and supplements his income from other sources during the rest of the year. His self-employment income is averaged over the summer months.

When self-employment income is annualized, the expenses must also be annualized. Expenses are counted when paid not when billed.

If the self-employment income is annualized, income tax forms (when available) should be used to determine income. The most current tax forms are used unless there is a substantial change in business or income. Income must be annualized whether or not tax forms reflect



current income and whether or not they are available. Other documentation must be used to determine annualized income. 'Substantial increase or decrease in business' may include:

1. Termination or starting a new self-employment enterprise such as, changing from a grain and cattle operation to a cattle operation;
2. Significant increase or reduction of operation such as, adding or reducing a quarter of crop land or significantly increasing or decreasing a dairy or beef operation; and,
3. Natural disasters like hail or drought. Normal year-to-year fluctuating market prices are not considered to be substantial increases or decreases. Abnormal changes are considered such as, if the price of wheat is usually \$2 to \$4 per bushel, a reasonably anticipated change to \$6 or \$1 is considered a substantial change once the crop is sold. The new income information is then used.

**Example:** A day care provider submitted her last year's taxes reflecting \$12,000 self-employment income earned from providing care for five children. In the next year she expects to provide care for only three children. Her anticipated day care income is annualized. She expects to earn a net income of \$9,000 in the next year. Her projected monthly countable self-employment income is \$750 ( $\$9,000 \div 12$ ). This projected income is used even though she might expect her actual monthly income to vary over the next year (e.g., some months her actual income is \$900 and some months income is \$600).

## NEW BUSINESS

If a new business the income is averaged using the income and expenses from the months the business has been in operation if the household anticipates the same for the next prospectively budgeted period. When the business has reached 12 months either at the six month report period or recertification, the income must be annualized if the household anticipates the same for the next prospectively budgeted period. If there is no reliable history of income or expenses to average, the OPA Case Manager must negotiate a projection of the anticipated monthly income and expenses with the household.

## RENTAL INCOME

Depending on how active an individual is in managing rental property, the income is considered earned self-employment or unearned income. The cost of doing business is deducted from the gross income to determine net countable income for benefit calculation regardless of whether it is earned self-employment or unearned income.

A property owner/landlord is allowed the full amount of shelter costs (such as mortgage, taxes, insurance) that the household is required to pay to live there. The gross income minus the cost of doing business received from rental property if a household member is not involved in management of the property 20 hours/week or more is countable unearned income to the owner/landlord's household. The OPA Case Manager must calculate the amount of countable income manually (off of TEAMS), using gross income minus the allowable expenses; code 'RE' on UNIN.

**NOTE:** No portion of expenses can be used as both a shelter cost and a self-employment cost.

**Example 1:** Household A owns the home and rents a room to Household B. Both households are receiving food stamps as separate households. Household A has mortgage payment of \$400 (includes taxes and insurance). Household B is responsible for \$100 rent and half of the heating/cooling expense.

Household A is entitled to \$400 for the mortgage expense and the full SUA. The \$100 from Household B is unearned income to Household A. Household A may claim self-employment allowable costs for providing the room such as paint, new carpet for the room.

Household B is entitled to \$100 rent expense and the full SUA.

► **Example 2:** A food stamp household owns a house separate from its residence and rents out the house. The house is rented for \$600 a month and the renter is responsible to pay all utilities. The only allowable cost of doing business the household reports and verifies is \$325 mortgage including property taxes and insurance. The OPA Case Manager must document in case notes the gross rental income along with the allowable costs of doing business. The OPA Case Manager must manually deduct the cost of doing business from the gross rental income ( $\$600 - \$325 = \$275$ ) and code the net countable income (\$275) 'RE' on UNIN.

**Separate households** residing in the same residence are allowed the actual amount of rent they are billed as a shelter deduction. When households reside together and **neither household owns the residence**, a rent payment made from one household to another is exempt as pass-through shelter payment up to the full amount of rent billed. If the

payment is more than the full rent charged for the residence, the excess payment is unearned income to the household receiving the payment.

## ROOMERS

A roomer is an individual living with a household and paying for lodging but not meals. Refer to 'Earned vs. Unearned' in this section of the manual to determine whether the contribution is considered earned or unearned income.

Payments received from roomers are usually considered unearned contributions to the household.

Do not allow expenses against the contributions unless the roomer situation meets the definition of earned income, and the case is treated as self-employment.

## BOARDERS

Treat commercial boarding houses (businesses established as commercial enterprises offering meals and lodging for compensation with the intent to make a profit) according to the general provisions of regular self-employment rather than using the information provided below.

Boarders are individuals that a household furnishes lodging and meals (FS 201- 4). Foster children are not boarders.

When a boarding situation is not related to a commercial boarding house, the income from boarders includes all direct payments to the household including contributions for meals and shelter. In determining the amount of countable income received from the boarder, exclude the household's costs of providing room and meals to the boarder (allowable expenses).

Households may choose one of the following methods to determine the cost of doing business (expenses):

1. The cost of the Food Stamp Program's thrifty food plan for the number of boarders in the household;
2. If the actual costs exceed the appropriate thrifty food plan, the actual documented allowable expenses of providing room and meals. If actual costs are used, only separate and identifiable costs of providing room and meals to the boarders are excluded; or,
3. A flat amount of \$100 per boarder.

Expenses may not exceed the payment received by the household from the boarder. Boarder income is always earned self-employment income. Boarders may not claim separate household status to receive food stamp benefits on their own case.

## INCOME/LOSSES

Losses from corporations are not used to offset any other income.

Farm losses are allowed only if the farm grossed or anticipated grossing at least \$1,000 during the year. Farm losses may offset any other household income in the following order:

1. Other self-employment gains; and,

**NOTE:** Farm losses are not deducted correctly in TEAMS. The 20% earned income deduction on other self-employment gains is only allowed after the farm loss is deducted. The OPA Case Manager is strongly encouraged to use a DPHHS-HCS-520 'Self-Employment Income Worksheet' with its associated budget sheet in order to determine what the correct benefit issuance is, and enter 80% of the gross earned income on the EAIN screen.

2. Any remainder from any other household income.

If there are other wages, the 20% deduction is calculated on the gross wage prior to the farm loss being deducted.

Form DPHHS-HCS-520 'Food Stamp Self-Employment Income Worksheet' may be used as a tool in determining eligibility and benefits.

## BANKRUPTCY

If bankruptcy is filed, the projected monthly self-employment income continues to be used unless the household states the business will have substantial change in income and expenses. The bankruptcy trustee regarding the debt reorganization plan concerning the anticipated gross income and expenses would verify this statement.

If the household reports the self-employment enterprise has ended, the monthly self-employment income is no longer prospectively budgeted.

The self-employment income continues to count even if diverted to a bank or other source. If the self-employment income goes to a trustee and the household receives a living allowance, the entire self-employment income continues to be budgeted and no deduction is allowed for the trustee or conservator's fees.

**NOTE:** The living allowance is not counted as income because the self-employment income is already being counted.

If the equipment/land is repossessed or the title is given to the lender, the property is the legal property of the lender and sale of the property is not considered income. However, if the title remains in the household's name

and the lender arranges the sale, the property belongs to the household and the amount is counted as income if received as periodic payments or as a resource if received in a lump sum.

If the lender forgives or writes off a loan, the amount forgiven or written off is not considered income.

**Example:** Paul, a farmer, has been employed in this line of work for 15 years. The farm income is the household's only source of income. The household does not claim any personal household expenses (such as house utilities) as business expenses. His 2005 income tax return is used to project income for 2006 because Paul does not anticipate any substantial changes in income for the next year. Schedule F from his income tax return is provided. After excluding the gas tax credit and crop insurance payments (not paid in cash), gross self-employment income is \$25,000. Allowable expenses are insurance, fuel, livestock feed, supplies, professional fees, and labor costs, totaling \$10,000 in deductible expenses. Depreciation and meal costs are not allowable, and are not entered on SEEW.

TEAMS Processing: The income and hours are coded 'FA' on SEEI. Press Enter to display the SEEW work screen. Enter the gross amount of income using 'I' code and the expenses using 'E' code on SEEW. The SHARE is 100% because Paul is not a partner, and the FS PRD (Food Stamp Period) is 012 - twelve months (annualized income). The MA PRD, QM PRD, SL PRD and CC PRD are all set to '000'. When 'Enter' is pressed, the SEEW screen calculates the 'ADJUSTED GROSS' of \$15,000, and FS PRORATED income of \$1,250 per month. Print SEEW screen for the case file because TEAMS does not save this screen, and a second 'Enter' returns to SEEI where the \$1,250.00 appears in the FS row in the 'MNTH ADJ GRS' column. The income on this screen is allowed the 20% earned income deduction net income budget calculation.

## COMBINED CASE PROCESSING

Cases including a combination of programs and do not use the same policies for determining the net self-employment income are worked as if they were separate sources of income on the SEEI screen. The income is coded for each program on SEEW as follows:

If the income is being determined for FS, the FS PRD is set at '012' (or other period of intended use as appropriate for the situation), and AF PRD, MA PRD, QM PRD, SL PRD and CC PRD are set at '000'. When

Section: INCOME

Subject: Self-Employment Income

TEAMS returns to SEEI with an income showing in the PGM row for FS, the 'MORE INCOME' indicator at the bottom of SEEI is set to 'Y', and a new SEEI screen is completed to access a new SEEW screen. The MA PRD is set at '012' (the QM PRD and/or SL PRD are also set to '012'), and the FS PRD and AF PRD are set to '000'.

### DEPENDENT CARE HOME USAGE CHARTS

The following charts can be used as guidance in determining percentage of shelter expenses allowable as business expenses and personal shelter expenses. It is important to remember even if the individual chooses not to use any part of the housing expenses as business expenses; the expenses must still be separated for shelter expense purposes.

#### Hours/Month of Child Care in the Home

#### Percentage of Business Usage for Shelter

1 – 100	10%
101 – 150	17%
151 – 215	25%
216 – 301	35%
302 – 387	48%
388 – 495	60%
496 – 581	75%

Conversion of Weekly Hours to Monthly Hours					
10 hours/week	=	43 hours/month	75 hours/week	=	323 hours/month
15 hours/week	=	65 hours/month	80 hours/week	=	344 hours/month
20 hours/week	=	86 hours/month	85 hours/week	=	366 hours/month
25 hours/week	=	108 hours/month	90 hours/week	=	387 hours/month
30 hours/week	=	129 hours/month	95 hours/week	=	409 hours/month
35 hours/week	=	151 hours/month	100 hours/week	=	433 hours/month
40 hours/week	=	172 hours/month	105 hours/week	=	452 hours/month
45 hours/week	=	194 hours/month	110 hours/week	=	473 hours/month

Section: INCOME

Subject: Self-Employment Income

**Hours/Month of Child  
Care in the Home**

**Percentage of Business  
Usage for Shelter**

50 hours/week	=	215 hours/month	115 hours/week	=	495 hours/month
55 hours/week	=	237 hours/month	120 hours/week	=	516 hours/month
60 hours/week	=	258 hours/month	125 hours/week	=	538 hours/month
65 hours/week	=	280 hours/month	130 hours/week	=	559 hours/month
70 hours/week	=	301 hours/month	135 hours/week	=	581 hours/month

TP

Department of Public Health  
and Human Services

Section:  
INCOME

FOOD STAMP PROGRAM

Subject:  
Educational Income

**Supersedes:** FS 504-1 (0701/02)

**References:** 7 CFR 273.5 (a) and (b), 273.11 (d); P.L. 102-325

GENERAL RULE -- Income of a student must be evaluated for earmarking to be used for room/board or dependent care. Educational income is budgeted over the period of time the income is intended to cover. Student income is not budgeted until the first date it is anticipated to be received (the estimated first disbursement date).

**Example:** A student applies on October 12th. Any income having an estimated disbursement date of September or October is used to determine prospective eligibility for the student for the month of October.

Normally prospective eligibility refers to the calendar month; however, in the case of student income it refers to that calendar month and any previous months of the school term.

Special student eligibility criteria applies only to students in institutions of higher education (FS 201-5). Educational income exclusions outlined in this manual section may be allowed for any student including students not required to meet an exception for special student eligibility criteria (FS 201-5).

**EXCLUDED  
INCOME TITLE  
IV OR BUREAU OF  
INDIAN AFFAIRS  
(BIA)**

All student financial assistance funded in whole or in part under Title IV of the Higher Education Act and Bureau of Indian Affairs (BIA) educational income is excluded regardless of earmarking or use; code 'ED' on UNIN.

Even though these funds are excluded, they must be evaluated to determine if any portion is specifically earmarked for dependent care (pages 4- 5).

BIA educational assistance is any educational assistance paid by BIA funds.

Title IV sources include:

1. Pell Grants including Super Pell and Basic Educational Opportunity Grants (BEOG);
2. Supplemental Educational Opportunity Grants (SEOG);



Section: INCOME

Subject: Educational Income

3. Grants to States for State Student Incentives (SSIG);
4. Special Programs for Students from Disadvantaged Backgrounds (TRIO Grants or Loans);
5. Special Programs for Students Whose Families Are Engaged in Migrant and Seasonal Farm Work including the College Assistance Migrant Program (CAMP);
6. Robert C. Byrd Honors Scholarship Program;
7. Guaranteed Student Loan (GSL), including Family Federal Education Loan Program, PLUS Loans, Supplemental Loans for Students, and Robert T. Stafford Student Loans;
8. Federal Work Study if the funds come under Title IV of the Higher Education Act;
9. Perkins Loans (formerly NDSL, Direct Loans to Students in Institutions of Higher Education). This includes Carl D. Perkins Vocational Education funds;
10. Upward Bound Stipends (includes Student Support Services, Robert E. McNair Post-Baccalaureate Achievement);
11. High School Equivalency Program (HEP); and,
12. National Early Intervention Scholarship and Partnership Program.

**NON-TITLE IV OR  
NON-BIA  
EDUCATIONAL  
INCOME**

≥

The amount of income specifically earmarked by the grantor or institution to be used solely for room and/or board of non-Title IV and non-BIA educational income is countable unearned income. If the grantor or institution states the income is earmarked for miscellaneous personal expenses but does not expressly identify room and/or board, the income is excluded as miscellaneous personal expenses. Miscellaneous personal expenses incidental to attending school are allowable expenses deducted from the income. Normal living expenses, not incidental to attending school, are not allowable expenses deducted from the income.

Non-Title IV sources include but are not limited to:

1. Veteran's Educational Benefits;
2. Scholarships;

Section: INCOME

Subject: Educational Income

3. Fellowships (WSF &amp; NDEA stipends);

4. Deferred Payment Loans;

≥

**NOTE:** The excess amount of a deferred educational loan after all allowable expenses is countable unearned income.

5. National Defense Loans;

6. Federally Insured Student Loans;

7. Assistanceship used as Work Study; and,

8. Non-Title IV Work Study.

**NOTE:** Only the portion of work study specifically earmarked by the institution to be used solely for room and/or board is countable; code 'WF' on EAIN. The 20% earned income disregard is calculated by TEAMS.

**NOTE:** When work study funds are exhausted but the student continues to work, the work study income is wages; code 'WA' on EAIN.

#### ALLOWABLE EXPENSE DEDUCTIONS FOR DEFERRED LOANS

The amount specifically earmarked to be used solely for room and/or board by the deferred educational loan, is countable unearned income. Loan origination fees and insurance fees are allowable expense deductions.

Repayment on a deferred loan is not required until after the student graduates or the student drops out of school.

**Example 1:** A student receives a deferred loan for \$1,000, and earmarked funds for room and board total \$1,000 for the school year of nine months. The loan origination fee is \$25 and the insurance fee is \$75. \$900 is considered for the school year. \$900 divided by nine months equals \$100 per month; code 'ED FS' on UNIN.

The fact the funds are earmarked for room and board does not have an effect on the allowable shelter expenses for the case. The income is counted and the shelter expenses are allowed.

Section: INCOME

Subject: Educational Income

≥

**Example 2:** A student receives a deferred loan for \$3,000 and earmarked funds for room and board total \$1,000 for the school year of nine months. The loan origination fee is \$25 and the insurance fee is \$75. \$900 is considered for the school year. \$900 divided by nine months equals \$100 per month; code 'ED FS' on UNIN. The income is counted and the shelter expenses are allowed.

The excess \$2,000 is countable unearned income **after all allowable educational expenses such as tuition, books, fees, etc., are deducted.**

## DEPENDENT CARE DEDUCTION

If educational income of any kind is earmarked by the funding source to be solely used for dependent care expenses, the dependent care expense is not allowed until the funds are exhausted. All educational income specifically earmarked for dependent care is excluded income, and the expense is not allowed since the funds used are from an excluded source.

**Example:** A household receives a Title IV grant. \$500 is specifically earmarked for dependent care. The grant is disbursed (received) in September. The one child in the home is under age two. Child care expenses are verified as \$400 per month. No deduction is given in September because earmarked funds are available to pay for dependent care. In October the \$100 in earmarked funds is deducted from the monthly expense. The student is required to use \$300 of non-earmarked funds for child care; code 'DC' on EXPE.

TEAMS allows \$200 as a deduction.

## VERIFICATION REQUIRED

Verification of the amounts received from scholarships, deferred loans, or grants may be obtained directly from the financial aid office or agency providing the money. The 'Student Income and Expense Statement', form FA-540, is a tool used to verify student income and expenses. **The student cannot be required to submit the form.** If the student uses the FA-540, it is important the student lists all of their educational income and sign the release statement before submitting the form to be completed by the financial aid office or agency providing the funds.

If the FA-540 is returned and the estimated disbursement date was not completed, the OPA Case Manager should contact the financial aid office or agency providing the funds to ask their best estimate of when some or all of the money from the source will first be available to the student.

Section: INCOME

Subject: Educational Income

If the FA-540 was completed for the entire school year, the OPA Case Manager does not need to verify with the institution or student at semester/quarter break if any information has changed from the initial FA-540.

The pink copy of the FA-540 is for the records of the financial aid office or the agency providing the funds. The yellow copy is sent to the student, and the white copy is for the case file.

### INCOME BUDGETING PROCEDURE

1. Total all excluded financial aid (other than work study); code 'ED' on UNIN.
2. Total all excluded work study financial aid; code 'WS' on EAIN.
3. Total all countable financial aid estimated to be disbursed during the school year.
4. Subtract any earmarked expenses from the countable financial aid.
5. Divide the remaining income by the number of months the income is intended to cover (quarter/semester/school year).
6. Enter the monthly amount.

Work study must be entered on EAIN to allow the 20 % earned income deduction; code 'WF'.

All other countable educational income; code 'ED FS' on UNIN.

Prorate the amount of countable educational income minus allowable expenses over the period it is intended to cover. The income is counted the first month the income is anticipated to be received (disbursed). Food stamp benefits are not recouped for past months that the funds were intended to cover.

**Example:** A student reports countable educational income of \$1,000 was received in October for the period of September through December. The \$1,000 is divided over the four month period, \$250 per month. The \$250 is disregarded for September and October because the months already elapsed. The \$250 per month is used prospectively to calculate benefits for November and December.

7. Document in case notes all educational income in detail. The note must indicate the source of the income and why it is excluded or

Section: INCOME

Subject: Educational Income

countable. If countable, the note must detail how the monthly amount was determined.

TP

Department of Public Health  
and Human Services

FOOD STAMP PROGRAM

Section:  
ELIGIBILITY & BENEFIT  
DETERMINATION

Subject:  
Prospective Budgeting

**Supersedes:** FS 601-1 (04/01/04); Bulletin FS 48 (12/01/06)

**References:** 7 CFR 273.10 (c)

GENERAL RULE -- Reasonable expectations and knowledge of the household's anticipated financial and non-financial circumstances are used to determine eligibility prospectively for the Food Stamp Program.

#### **GATHERING INFORMATION**

Various sources are used to collect information about the household's circumstances to determine eligibility prospectively. Some sources used to collect information are (list not inclusive):

1. The interview at application or recertification;
- 2. The application, recertification, or Six Month Report form; and,
3. Information submitted by the household, collateral contacts, system interfaces, etc.

#### **CASE NOTE DOCUMENTATION**

The OPA Case Manager must document in case notes in sufficient detail so individuals reviewing the case (Hearing Officers, Management Evaluation Reviewers, Program Integrity Auditors, Claims and Recoveries Financial Investigators, Regional Quality Assurance Reviewers, Supervisors, federal audits, etc.) can determine the reasonableness and accuracy of the prospectively budgeted income determination. The case note must list the dates paid, the gross amount of income per pay period, the number of hours worked, and the prospective budgeting method used for the income calculation.

If a pay check is unusually high or unusually low, the OPA Case Manager must document the reason the check was unusually high or low by asking the household or the employer (unpaid sick days, unpaid vacation, worked extra because short staffed, etc.). The case note includes the reason the check was included in the income calculation or the reason the check was not included in the income calculation based on either the household or the employer anticipating or not anticipating it to occur again for the prospectively budgeted period.

#### **PROSPECTIVELY BUDGETING ►INCOME**

Monthly income anticipated to be received is determined on a case by case basis using one or a combination of methods to budget income prospectively. Verification cannot be limited to one specific type or source.

Section: ELIGIBILITY & BENEFIT DETERMINATION	Subject: Prospective Budgeting
---	--------------------------------

- When a household receives income on a recurring monthly or semi-monthly basis, the household should not have its monthly income varied because of changes in mailing cycles or pay dates or because weekends or holidays cause additional checks to be received in a month.

- **Example:** The household is paid semi-monthly on the 1st and 15th of the month. October 1st falls on a Saturday, and the household is paid on Friday September 30th. The income is considered income for October.

1. **Anticipating** income method is used to prospectively budget income when:

- a. a full month's income is not expected because the individual will not work a full pay period during the month (e.g., new employment, unpaid extended sick leave, or unpaid vacation);

**NOTE:** If a full month's income is not expected, the income is not factored.

**Example:** The application is received November 9th; new employment started November 2nd; pay dates are the 5th and 20th. Ted earns \$6.50 per hour, averages 40 hours per week, is off on Fridays and Saturdays, and is paid for holidays. Income received in November is anticipated for 10 days for eight hours a day because he will only receive 1 check on the 20th: 10 days x 8 hours = 80 hrs x \$6.50 = \$520 is the prospectively budgeted gross monthly income.

The 13 week method is used to determine December's income because a full month's income is expected to be received and is reflective of what is anticipated: 40 hrs x \$6.50 x 13 weeks = \$3,380 / 3 months = \$1,126.66 is the prospectively budgeted gross monthly income.

- b. income is from a terminated source (e.g., lay-off or other job termination).

**NOTE:** If a full month's income is not expected, the income is not factored.

2. The **13 week method** is based on every three month period having 13 weeks. This method is used to prospectively budget income when:

- a. paid monthly or semi-monthly (paid twice a month with set pay dates such as 5th and 20th);
- b. there is not a reliable income history to average; and,

► **EXCEPTION:** If there is a reliable history and the employer verifies hours averaged per week, the 13 week method **can** be used to prospectively budget the income.

- c. the income is expected to continue for at least three months.

The calculation for this method is: average hours **per week** x hourly wage x 13 weeks = total gross income. Total gross income / 3 months = total prospectively budgeted gross monthly income.

The 13 week method **is not** used to prospectively budget income when:

- a. there is a reliable income history; or,

► **EXCEPTION:** If there is a reliable history and the employer verifies hours averaged per week, the 13 week method **can** be used to prospectively budget the income.

- b. paid a salaried amount (a fixed amount per pay check independent of how many days are worked); or,

**NOTE:** Income is averaged when paid a salaried amount.

**Example:** An employer statement was received stating Dolores began working October 8th; paid semi-monthly on the 15th and 30th for salaried employment; \$350 gross per pay period. November benefits are based on \$350 x 2 = \$700.

- c. employment is not expected to last 13 weeks; or,
- d. employer verifies anticipated hours **per pay period**.



**Example:** The employer form verifies Ed is paid twice a month at \$7.50 an hour. The employer anticipates Ed working 65 hours per pay period in the future. The income calculation is  $65 \text{ hours} \times \$7.50 \times 2 = \$975.00$ .

3. **Factoring** method is used to prospectively budget income when:

- a. paid weekly or bi-weekly (paid every two weeks); and,
- b. there is a reliable history of income **and** the history of the income is reflective of what is anticipated in the future by household and/or employer.

If weekly or bi-weekly pay checks are available for the month of application, the checks must be averaged and factored even if they did not receive a third or fifth check in the month of application.

The calculation for the factoring method is: gross **weekly** income (actual or averaged)  $\times 4.3$  = total prospectively budgeted gross monthly income; or gross **bi-weekly** income (actual or averaged)  $\times 2.15$  = total prospectively budgeted gross monthly income.

**EXCEPTION:** Income is not factored if an individual will not receive a full month's pay (e.g., individual will not be paid for hours normally worked such as unpaid sick leave or unpaid vacation, etc.). Anticipating income budgeting method of counting actual days is used taking days off and paid holidays into consideration.

**Example:** Ginny started a new job working 40 hours per week at \$6.50 per hour and is paid **weekly**. Ginny's monthly income is determined using  $40 \text{ hours} \times \$6.50 \text{ an hour} = \$260 \text{ per week} \times 4.3 = \$1,118$ .

**Example:** Grace works for the State of Montana. She works full time earning \$7.00 per hour. She is paid **bi-weekly**:  $40 \text{ hrs per week} \times \$7.00/\text{hr} = \$280 \text{ per week} \times 2 \text{ weeks} = \$560 \text{ per pay period} \times 2.15 = \$1204.00$  Grace's gross monthly income.

4. **Averaging** income is used to prospect income when there is a reliable income history and the history of the income is reflective of what is anticipated in the future by household and/or employer.

Income is averaged when a significant income change is expected in the future (e.g., promotion, part-time to full-time or vice versa, additional job, transfer, etc.) and a full month's pay is expected.

**Example:** Application received March 12th. Mickey is paid every other Friday at \$6.50. He reports and verifies his hours have decreased from 40 hours per week to 30 hours per week effective March 1st. March 5th check reflects 80 hours and March 19th check will reflect 60 hours.

It is considered a full month's pay so the income is averaged and factored for March:  $80 \text{ hours} + 60 \text{ hours} = 140/2 = 70 \text{ hours} \times \$6.50 = \$455 \times 2.15 = \$978.25$  is the total prospectively budgeted gross monthly income for March. Income for April is prospected using 60 hours per pay period  $\times \$6.50 = \$390 \times 2.15 = \$838.50$ .

Any source of income that fluctuates from month to month is averaged including wages, irregular child support, interest income paid quarterly, and quarterly bonuses.

Patterns of income fluctuations such as overtime and quarterly bonuses are considered when anticipated to continue to be received. Paychecks agreed on as unusually high or low by the OPA Case Manager, the household, and/or employer should be disregarded unless the unusually high or low paychecks are anticipated to continue into the prospective period.



**NOTE:** When an individual is paid twice a month, the number of days in a pay period usually varies. Some checks may appear to be higher or lower but it could depend on the number of days in a pay period. For this reason, caution should be used when disregarding unusually high or low pay checks when someone is paid twice a month. Generally, it is best to average an even number of pay checks.

The total gross income or hours worked multiplied by rate of pay are used to average income. The averaging calculation is used when paid:

- a. **monthly** - add the total gross income or hours worked for per month during the representative period and divide by the number of months in the representative period to determine

the prospectively budgeted amount of income per month.

- b. **semi-monthly** - add the total gross income or hours worked for the pay dates during the representative period and divide by the number of pay dates in the representative period to determine the gross average income per pay date. The average gross income per pay date x 2 = total prospectively budgeted gross monthly income.
- c. **weekly** - add the total gross income or hours worked for dates paid in the representative period and divide by the number of pay dates in the representative period to determine the gross average income per pay date. The average gross income per pay date x 4.3 (weekly) = total prospectively budgeted gross monthly income.
- d. **bi-weekly** - add the total gross income or hours worked for dates paid in the representative period and divide by the number of pay dates in the representative period to determine the gross average income per pay date. The average gross income per pay date x 2.15 (bi-weekly) = total prospectively budgeted gross monthly income.

5. **Annualizing income** method is used to prospect income for contractual or self-employment.

The contract for contract income must be evaluated on a case by case basis. A key factor in determining whether income is contractual is whether the contract is for a set dollar amount even if an hourly rate is indicated.

If the household receives its annual income in a period of time shorter than a year by contract or self employment, the income is averaged over a 12 month period provided the income from the contract is not received hourly or on a piecework basis. If the contract work is not the household's annual income, the income is prorated over the period it is intended to cover.

The annualizing method calculation is: the annual or contractual amount divided by the number of months the income is intended to cover.

**Example:** Helen has a craft business she operates from her home. Her books show she receives some income every month after the allowable costs of doing business. She has no other source of income. She

Section: ELIGIBILITY & BENEFIT  
DETERMINATION

Subject: Prospective Budgeting

states the income from this business is intended to support her year round.

Jan.	\$ 300.00	July	\$ 500.00
Feb.	\$ 275.00	Aug.	\$ 400.00
March	\$ 350.00	Sept.	\$ 350.00
April	\$ 550.00	Oct.	\$ 450.00
May	\$ 600.00	Nov.	\$ 950.00
June	\$ 550.00	Dec.	<u>\$1,100.00</u>
		Total:	\$6,375.00

\$6,375 divided by 12 months = \$531.25 is the total prospectively budgeted gross monthly income.

## ADDITIONAL EXAMPLES

### Anticipating and not factoring

The application is received January 24th. Erik is paid every other week at \$7.00. He reports and verifies at application he missed a large part of one pay period in January because he had the flu. He was paid in January on the 5th and 19th. The January 19th check reflects and verifies this information. The employer verifies he anticipates Erik working 32 hours per week in the future.

This is not considered a full month's pay. Income for January is anticipated and is not factored. Actual income is used for January using January 5th and 19th pay checks. Income for February is prospectively budgeted using 64 hours every two weeks x \$7.00 = \$448 x 2.15 = \$963.20.

### Averaging and factoring

Joe has worked for the same employer for two years; paid \$6.50 an hour semi-monthly; hours fluctuate from week to week from at least 20 hours to no more than 35 hours per week. Joe provided pay stubs for the last two months (February and March). He states he anticipates future months will be very similar to the past two months.

Feb. 1st pay stub	49 hours	\$ 318.50
Feb. 15th pay stub	42 hours	\$ 273.00
March 1st pay stub	47 hours	\$ 305.50
March 15th pay stub	<u>55 hours</u>	<u>\$ 357.50</u>
Totals	193 hours	\$1,254.50

\$1254.50 / 4 = \$313.62 is the average amount per pay period. \$313.62 x 2 (paid twice a month) = \$627.24 is the total prospectively budgeted gross monthly income.

**13 week method**

If significant changes were expected in the previous example such as Joe receiving a raise to \$6.75 and a change in hours, the anticipating method using the 13 week calculation is used to determine prospect income because a significant change is expected.

Joe provides an employer statement stating he will work an average of 27 hours per week and a raise to \$6.75 is effective March 16th. All hours on his April first check will be paid at the new hourly rate.

$27 \text{ hours} \times \$6.75 \text{ an hour} = \$182.25 \times 13 \text{ weeks} = \$2,369.25 / 3 \text{ months} = \$789.75$  is the total prospectively budgeted gross monthly income.

**Averaging**

If the only expected change in the previous example was an increase in hourly wage, prospect income by multiplying the average hours by the new rate of pay.

$193 \text{ hrs} / 2 \text{ months} = 96.5 \text{ average hours} \times \$6.75 = \$651.38$  is the total prospectively budgeted gross monthly income.

**Averaging and factoring**

Sam has been working for the same employer for six weeks. He has fluctuating income and is paid every Friday. The OPA Case Manager and Sam agreed to use the actual gross income amounts received for the six weeks prior to the interview to determine his average weekly income.

Week 1:	\$ 100
Week 2:	\$ 150
Week 3:	\$ 150
Week 4:	\$ 200
Week 5:	\$ 50
Week 6:	<u>\$ 200</u>
Total:	\$ 850

Average weekly income:  $\$850 \text{ divided by } 6 = \$141.67 \text{ per week.}$   
 $\$141.67 \times 4.3 \text{ (paid weekly)} = \$609.18$  is the total prospect gross monthly income.

**NOTE:** The \$50.00 received the 5th week must be evaluated to determine if the trend is expected to continue into the prospect period. The check could be disregarded as an unusually low check if it is not expected to happen again in

Section: ELIGIBILITY & BENEFIT  
DETERMINATION

Subject: Prospective Budgeting

the prospective period. A TEAMS case note must clearly document the justification for disregarding or including the check.



### Working and Partial Unemployment Income

A household size of 4 applies for food stamp benefits February 2nd. A household member, Jack, is working and receiving partial unemployment income (UI). Employer statement verifies he will be working 20 hours a week at \$7.00 an hour and is paid every week. The UI is prospectively budgeting using the formula below.

A	B	C	D	E	Partial Benefit Amount	
Regular Benefit Amount	Weekly Gross Earnings	Divide Column A by 4	Column B Minus Column C	Divide Column D by 2	Column A Minus Column E	This Week's Benefit Amount
\$225.00	20x\$7= \$140.00	225 / 4 =\$56.25	\$140.00 - 56.25 \$83.75	\$83.75 / 2 = \$41.87	\$225.00 - 41.87 \$ 183.13	= \$183.13

Jack's income from his job is prospectively budgeted as follows: 20 hours x \$7.00 x 4.3= \$602.00. The prospectively budgeted partial UI weekly benefit is prospectively budgeted as follows: \$183.13 x 2 weeks=\$366.26 bi-weekly x 2.15=\$787.45.

If this was an ongoing case and the OPA Case Manager received the unemployment report from the Department of Labor and Industry (DOLI) showing Jack is now receiving partial unemployment benefits, the partial UI must now be prospectively budgeted since the DOLI report is verified upon receipt. Typically, the unemployment income is averaged. The new wages are not used until recertification or the six month report period. When the wages are prospectively budgeted at recertification or the six month report period, UI is prospectively budgeted using the unemployment income formula.

### COMBINATION CASE

Esther has been working for the same employer for two years. Her case is opened to FS, MA MD, and MA PC. She provides her last seven pay stubs (totaling \$1,400.00) representing pay received in the last three months.

Esther is paid bi-weekly and works a consistent number of hours each pay period. She does not anticipate a change in her hours or her pay rate. Her income for FS and MA PC is prospectively budgeted by averaging

Section: ELIGIBILITY & BENEFIT  
DETERMINATION

Subject: Prospective Budgeting

and factoring the provided check stubs:  $\$1,400.00 / 7 = \$200.00 \times 2.15 = \$430.00$ ; code 'OF' and 'OA' on EAIN. Her income for MA MD is prospectively budgeted by averaging the same pay stubs and multiplying the average by the number of scheduled pay dates in the benefit month ( $\$1,400 / 7 = \$200.00 \times 2 \text{ or } 3 \text{ pay dates} = \$400.00 \text{ or } \$600.00$ ); code 'OM' on EAIN.

The OPA Case Manager determines the months in the eligibility period expected to include a third bi-weekly pay date, and sets an alert for the month before each of those months to project the income for the third pay date.

TP

Department of Public Health  
and Human Services

FOOD STAMP PROGRAM

Section:

ELIGIBILITY & BENEFIT  
DETERMINATION

Subject:

Deductions (Earned, Standard,  
Dependent Care and Child Support)

**Supersedes:** FS 602-2 Pages 1-2 (10/01/06), Pages 3-5 (10/01/05)

**References:** 7 CFR 273.9(d)(1) through (6); 7 CFR 273.10(d)

GENERAL RULE -- The following deductions are detailed in this manual section:

1. Earned income deduction;
2. Standard deduction;
3. Dependent care deduction; and,
4. Child support deduction.

The dependent care and child support expenses must be anticipated to be incurred by the household or one of its members. The household's expenses are based on the expense amount the household expects to be billed. Anticipating the expense is based on the most recent month's bills unless the household is reasonably certain a change will occur. The household may choose to have fluctuating expenses averaged. The household may also choose to average expenses billed less often than monthly over the period the expenses are intended to cover. Expenses that are billed or otherwise become due weekly or bi-weekly are factored (FS 601-1) (e.g., dependent care or child support expenses). These deductions are allowed until the next recertification or until a change is reported or discovered and is acted on by the OPA Case Manager according to the household's reporting requirements (FS 1501-3 and 1501-4).

#### **EARNED INCOME DEDUCTION**

A deduction equal to 20% of the total gross earned income is allowed for each household. This deduction covers work expenses and mandatory wage deductions. The deduction is not allowed for excluded earned income.

#### **LOSS OF EARNED INCOME DISREGARD**

The earned income deduction is not allowed when:

1. Determining an over issuance due to the household (intentionally or inadvertently) not reporting earned income timely according to its reporting requirements. Only the amount of earned income that is not reported timely according to the household's reporting



Section: ELIGIBILITY & BENEFIT  
DETERMINATION

Subject: Deductions (Earned, Standard,  
Dependent Care and Child Support)

requirements is subject to the loss of the disregard. The OPA Case Manager enters the amount on EAIN and/or SEII screens; **code 'LF' if the over issuance is for food stamp benefits only, or code 'LB' if the loss of disregards also applies to TANF.**

2. Income is received from another state's work supplement or support program. The earned income deduction is not allowed for any portion of income earned under a work supplement or support program attributable to public assistance. (Montana currently does not have a work supplement or support program.)

#### ►STANDARD DEDUCTION

The standard deduction for a household size of six or more is **\$191**; the standard deduction for a household size five is **\$167**; the standard deduction for a household size of 4 is **\$143**; and, the standard deduction for a household size of 3 or less is **\$134**.

Ineligible or disqualified members are not used to determine the household size for purposes of the standard deduction.

TEAMS calculates the correct standard deduction for each household.

#### DEPENDENT CARE DEDUCTION

The dependent care deduction is allowed for each dependent that is included in the same filing unit as the individual billed for the care.

**NOTE:** If the expense also qualifies as a medical expense deduction for the elderly or disabled, it must be used as a medical expense instead of as a dependent care expense (e.g., home health care for an elderly or disabled household member is a medical expense deduction and cannot be used as a dependent care deduction).

Dependent care costs are allowed when it is necessary for a household member to:

1. Accept or continue employment;
2. Seek employment;
3. Attend training or schooling preparatory to employment; or,
4. Comply with employment and training requirements (FS 700).
  - a. Reasonable costs to transport a dependent to or from care is an allowable dependent care expense, and,

Department of Public Health  
and Human Services

FOOD STAMP PROGRAM

Section:

ELIGIBILITY & BENEFIT  
DETERMINATION

Subject:

Deductions (Earned, Standard,  
Dependent Care and Child Support)

- b. All Family Investment Agreement (FIA) activities for TANF or Individual Family Plan activities for Tribal TANF are considered employment and training activities. Childcare co-payments for all FIA or IFP activities are an allowable deduction.

Allow dependent care costs ONLY if the following are met:

1. Someone outside the food stamp household filing unit provides this service; and,

**NOTE:** The individual can be living in the same residence but not be required in the food stamp filing unit.

2. The household is obligated to pay for this service;

**NOTE:** When a portion of the dependent care expense is reimbursed or paid for by another publicly funded entity or other third party, only the amount of the childcare expense in excess of these payments is allowable as the deduction.

The dependent care deduction cannot exceed \$200.00 per month for each child under age two or \$175.00 per month for each dependent age two or older. The OPA Case Manager enters the total amount of the dependent care expense that the household expects to be billed (e.g., averaged, factored, etc.). TEAMS allows the correct deduction amount and applies the \$175 limit the month after the child turns two years old.

The OPA Case Manager enters the dependent care expense against each dependent receiving the care on EXPE using:

1. **'DF'** code for a deduction for food stamps only; or,
2. **'DC'** code for a deduction for all programs.

#### **CHILD SUPPORT DEDUCTION**

Members of a household making legally obligated child support payments TO an individual living outside of the food stamp household FOR a child living in or out of the food stamp household are allowed an expense for the amount of the child support payments paid. The expense is allowed

Section: ELIGIBILITY & BENEFIT  
DETERMINATION

Subject: Deductions (Earned, Standard,  
Dependent Care and Child Support)

regardless of whether the payment is for the current period or is for arrearage.

The OPA Case Manager enters the child support expense on EXPE against the adult obligated and paying the support; code 'CH'.

**EXCEPTION:** If the payment is sent to someone outside the home who returns the payment to a member of the food stamp household, the child support deduction is not allowed.

**Example:** Dad is legally obligated to pay child support and is paying \$75.00 per month 12 months out of the year. The child actually lives with him for two of the 12 months and is part of his food stamp household for these two months. Dad is legally obligated and is paying the \$75.00 TO someone outside the food stamp household; it is an allowable expense.

If mom sends the \$75.00 to the child in Dad's home every month, the deduction is not allowed nor is the child support received counted as income.

Legally obligated means the household has a legal obligation to pay the support (e.g., court order, administrative order, legally enforceable separation agreement, etc.). The legally obligated child support amount must be verified but cannot be used as verification of the actual child support payment. The actual child support paid must also be verified.

Legally obligated payments made to a third party on behalf of the non-household member are also allowed as a deduction. The payment must be a legal obligation and verification of the order and the amount must be obtained. Examples of third party payments are rent payments paid to a landlord, payments of health insurance premiums, etc.

#### **BUDGETING CHILD SUPPORT EXPENSE**

The OPA Case Manager must review and evaluate the payment history of the household member with the expense to determine the prospectively budgeted amount.

If the individual has paid several monthly payments, an average of the past months' payments can be used to prospectively budget if anticipated to be the same for the prospective period.

Section: ELIGIBILITY & BENEFIT  
DETERMINATION

Subject: Deductions (Earned, Standard,  
Dependent Care and Child Support)

If the individual does not have a stable payment history, the prospected amount is based on the amount the individual anticipates paying until a stable history can be determined.

If payments are paid by garnishment of wages and the individual is paid weekly or bi-weekly, the deduction amount can be determined by using the factoring method. Likewise, if the garnishment is from wages paid monthly and there is no payment history, the deduction amount can be determined by using the 13-week method.

If the household pays a legally obligated child support payment in advance, the child support expense could be averaged over the period it is intended to cover if the household chooses this method of budgeting.

Child support taken from tax intercepts is not allowed as a deduction.

The OPA Case Manager must document in case notes the budgeting method used to determine the child support expense including the dates, amounts, and if necessary an explanation how the expense was determined.

Department of Public Health  
and Human Services

Section:

ELIGIBILITY & BENEFIT  
DETERMINATION

FOOD STAMP PROGRAM

Subject:

Deductions (Medical)

**Supersedes:** FS 602-3 (10/01/07)

**References:** 7 CFR 273.9(d)(1) through (6), 7 CFR 273.10(d)

GENERAL RULE -- Household members who are elderly or disabled are eligible for a medical deduction for their total medical expenses minus any amount payable by a third party, such as health insurance, exceeding \$35 per month per household.

**NOTE:** An elderly or disabled household member who is an ineligible alien or SSN disqualified coded 'DS' or is disqualified coded 'DQ' or 'DF' is not eligible to receive the medical expense deduction.

The OPA Case Manager enters the entire non-reimbursable amount of the medical expense. TEAMS totals medical expenses coded against all elderly or disabled household members and deducts the \$35 before determining the amount of the deduction for the household.

The medical deduction for an elderly individual begins the month of the individual's 60th birthday.

#### **HOUSEHOLDS ELIGIBLE FOR THE DEDUCTION**

**Elderly** - households with an elderly (age 60 or older) member. An individual is considered elderly the month of the individual's 60th birthday.

**Disabled** - households with a disabled member (FS 0-4).

**Deceased** - households with a legal obligation to pay medical expenses for deceased individuals who met the definition of elderly or disabled prior to dying and were members of the household *at the time of death or time they entered a medical facility prior to death in the facility*.

**Recent Absence** - households with a legal obligation to pay medical expenses for an elderly or a disabled individual who was a household member immediately prior to entering a hospital or nursing home.

**Example:** An elderly husband and wife were not receiving food stamp benefits. The husband was admitted to the hospital in September. The wife applies for food stamps in October. The husband's medical expenses are allowed because he is required to be a part of his wife's household.

Section: ELIGIBILITY & BENEFIT  
DETERMINATION

## Subject: Deductions (Medical)

**INDIVIDUALS  
NOT ELIGIBLE  
FOR DEDUCTION  
APPLICATION/  
RECERTIFICATION**

A spouse or other persons receiving benefits as a dependent of the SSI or SSDI recipient are not eligible for the medical expense deduction.

Households are required to report and verify the amount of medical expenses (including the amount of reimbursements) at application and recertification.

At recertification the household must verify previously unreported medical expenses and total recurring medical expenses that have changed by more than \$25. Verification of total medical expenses claimed by the household that are unchanged or have changed by \$25 or less is not required unless the information is incomplete, inaccurate, inconsistent, or outdated.

Actual expenses or other documentary verification must be provided before an expense is allowed. Verification of other factors such as allowable services provided or the eligibility of the person incurring the cost is only required if questionable.

The OPA Case Manager should reasonably attempt to verify information with a collateral contact when documentary evidence cannot be obtained or is insufficient to make a determination for the amount of the deduction. The OPA Case Manager must wait until an expense or verification of third party payment is provided if the obligated amount is still questionable.

**The OPA Case Manager must document in case notes the medical expenses allowed for the deduction.**

**Example:** A household has a recertification in May. The total recurring expenses have not changed, but the household reports a new expense of \$10 a month for a prescription. The OPA Case Manager requests verification of this new expense but cannot request verification of the recurring expenses that have not changed unless information about those expenses appear to be incomplete, inaccurate, inconsistent or outdated.

**CHANGES IN  
MEDICAL  
EXPENSES**

A household may report changes in medical expenses during its certification period. The OPA Case Manager is required to take an action on the change according to the household's reporting requirements within 10 calendar days (FS 1501-3 and 1501-4).

The household must be allowed 10 calendar days from the date of the TEAMS notice to provide verification of the reported change. The notice

Section: ELIGIBILITY & BENEFIT  
DETERMINATION

Subject: Deductions (Medical)

must also inform the household if verification is not provided within 10 days of the request, the medical expense will not be allowed.

The OPA Case Manager must act on changes in medical expenses reported by a source other than the household if the changes are considered verified upon receipt and do not require verification from the household.

### **Change Reporting - cash option not paid for six months.**

1. If Medicaid closes anytime during the certification/recertification period because the household did not pay cash option for six months, the cash option expense is removed because the expense is no longer being incurred, the information is verified upon receipt, and does not require verification from the household. The medical expense deduction is the medical expenses previously reported and verified.

**Example:** It is determined at certification (January) the household's Medicaid incurment is \$350. Verified medical expenses are: \$80 health insurance premium and \$290 monthly recurring expenses. The household anticipates paying \$270 cash option to meet the incurment. The medical deduction is \$80 health insurance premium and \$270 cash option.

The household does not pay the cash option for March. Medicaid closes the end of August because the cash option was not paid for the last six months.

The \$270 cash option expense continues to be allowed while it is being incurred. When Medicaid closes, the cash option expense is removed for September because the expense is no longer being incurred, the information is verified upon receipt, and does not require verification from the household. The medical expense deduction is the medical expenses previously reported and verified. If benefits decrease as a result of removing the cash option expense, the OPA Case Manager must send the household timely notice via TEAMS of decreased benefits.

Section: ELIGIBILITY & BENEFIT  
DETERMINATION

Subject: Deductions (Medical)

### **Six Month Reporting - cash option not paid for six months.**

1. If Medicaid closes in the middle of the six month report period because the household did not pay cash option for six months, the cash option expense is removed because the expense is no longer being incurred, the information is verified upon receipt, and does not require verification from the household.

**Example:** It is determined at certification (January) the household's Medicaid incurment is \$350. Verified medical expenses are: \$80 health insurance premium and \$290 monthly recurring expenses. The household anticipates paying \$270 cash option. The medical deduction is \$80 health insurance premium and \$270 cash option.

The household does not pay the cash option for March. Medicaid closes the end of August because the cash option was not paid for the last six months.

The \$270 cash option expense is allowed at the six month report period for July because the cash option payment is still being incurred; it does not matter if actually paid.

The cash option is removed for September because the expense is no longer being incurred, the information is verified upon receipt, and does not require verification from the household. The medical expense deduction is the medical expenses previously reported and verified. If benefits decrease due to removing the cash option expense, the OPA Case Manager must send the household timely notice via TEAMS of decreased benefits.

2. If Medicaid closes in month six of the six month report period because the household did not pay cash option for six months, the cash option expense is removed because the expense is no longer being incurred, the information is verified upon receipt, and does not require verification from the household. The medical expense deduction is the medical expenses previously reported and verified.

**Medical expenses submitted to meet an incurment are treated as a reported change. The OPA Case Manager must evaluate the medical**



Section: ELIGIBILITY & BENEFIT  
DETERMINATION

Subject: Deductions (Medical)

**expense each time new bills or co-payments are provided that were not previously averaged.**

**Example:** A household submits a co-pay for a prescription. The OPA Case Manager must determine if the co-pay for the prescription is a co-pay for a recurring prescription that has already been averaged or if it is a co-pay for a new prescription.

If it is a new prescription, the OPA Case Manager must send the household a notice for information asking if the new prescription is anticipated to be an ongoing monthly expense or if it is a one-time expense.

If the household does not respond or if the household responds indicating it is anticipated to be a one-time prescription, the amount of the co-pay is allowed as a one-time expense.

If the household responds the new prescription is anticipated to be a monthly expense, the co-pay amount is added to the average monthly medical expense.

The OPA Case Manager must document in case notes specific information about the change in the medical expense reported such as name of prescription, amount of prescription or co-pay, date the change was reported, date prescription was filled even if the change reported does not change the benefit amount.

## **ALLOWABLE MEDICAL EXPENSE**

A medical expense can only be allowed once as a medical deduction.

**Example:** The household has an installment agreement with a provider at the time of service for a \$1,200 medical expense. The agreement is the household pays the provider \$100 for 12 months. The \$100 monthly expense is allowed as a deduction for 12 months whether or not the balance is still due after 12 months.

Medical expenses are allowed when they become due. Past due expenses are not allowed. Medical expenses carried forward from past billing periods are not allowed even if they are included with the most recent billing and actually paid by the household. Once an expense becomes past due, it remains past due.

Section: ELIGIBILITY & BENEFIT DETERMINATION	Subject: Deductions (Medical)
---	-------------------------------

The OPA Case Manager can use the expense for the next regular issuance as long as the household reported the change within 30 days of being billed. If the expense was not reported within 30 days of billing, it is not allowed unless it meets one of the exceptions (e.g., installments, averaged over period of intended use, averaged over period until next recertification).

**NOTE:** An expense is considered 'past due' 30 days after the billing date. 'Past due' means the payment is overdue to the provider not overdue at the time of application or recertification. Medical expenses pending verification of third party reimbursement are not considered 'past due' until 30 days after the household's receipt of verification of their obligated portion after third party payment.

The following expenses are not considered 'past due':

1. One-time medical expenses averaged over the period until the next recertification (e.g., bill for gall bladder surgery);
2. Expenses paid on an installment plan; and,
3. Expenses averaged over the period of intended use (e.g., bill for quarterly health insurance).

Intent to pay is not considered when allowing a medical expense. If a household states it will not be paying a medical expense, it is used as a medical deduction. If the household states an intention for someone else to pay the medical expense, the expense is being reimbursed and is not allowed as a deduction.

Third party payments, such as health insurance payment to providers, are also known as reimbursements. Any medical expense covered by a third party cannot be allowed as a deduction. The non-reimbursable portion of the expense is allowed as a deduction at the time the amount of the reimbursement is received or can be verified. A deduction cannot be allowed until it is verified (e.g., a health insurance policy and a collateral contact confirm the exact obligated amount is the \$100 deductible) regardless of the time it takes for the reimbursement.

If a household has a deductible before the insurance pays any expenses, the household is allowed the deductible as an expense regardless of whether or not it has been paid or met. In addition, if it is verified the insurance company only pays a certain percentage of further expenses,

Section: ELIGIBILITY & BENEFIT  
DETERMINATION

Subject: Deductions (Medical)

the OPA Case Manager anticipates expenses and allows the percentage the household is responsible for paying.

A household choosing the 'Medically Needy Cash Option' to meet its incurment is considered to have incurred and paid that amount of medical expenses. Fiscal authorization is not required prior to allowing the deduction.

**NOTE:** The amount of the cash option expense anticipated to be incurred after all recurring monthly medical expenses are averaged continues as long as the household anticipates paying the expense.

## BUDGETING THE EXPENSE

Households reporting **one-time** only medical expenses may choose to:

1. Have a one-time expense; or,
2. Average the expense over the remaining months until recertification.

**NOTE:** Households certified for 24 months and report a one time medical expense during the first 12 months have the following options:

- a. deducting the expense for one month;
- b. averaging it over the remainder of the first 12 months of the certification period; or,
- c. averaging the expense over the remaining months in the certification period.

Households certified for 24 months and report a one-time expense after the 12th month of the certification period have the following options:

- a. deducting the expense for one month; or,
- b. averaging it over the remaining months in the certification period.

**Recurring monthly** medical expenses are **averaged** when the household anticipates the expenses to continue monthly. Prescriptions and Medicaid co-payments are examples of recurring medical expenses. Each

Section: ELIGIBILITY & BENEFIT  
DETERMINATION

Subject: Deductions (Medical)

prescription and co-pay must be evaluated to determine if it recurs monthly to be allowed as a monthly recurring medical expense.

**Non-monthly recurring** expenses can be averaged over the period of intended use or allowed when the bill becomes due.

1. A prescription for a three-month supply of medication can be averaged over three months or used once every three months.
2. An annual health insurance premium can be averaged over 12 months or allowed once annually.

**NOTE:** It is not an option to average expenses for the number of months until the next recertification.

If the household has an **installment payment agreement** with a provider, the specific agreed upon monthly payment is allowed even if a payment is not being made during the period of the agreement. Once the period of agreement is past, any unpaid amount is a past due expense and is not allowable. If the installment agreement is renegotiated with a collection agency, only the terms negotiated with the provider are allowed. The payment agreement does not have to be a formal contract. A mutually recognized verbal or written agreement with the provider and the household is sufficient (e.g., \$25 monthly payments until paid in full).

## TEAMS CODING

All medical expense codes are processed the same way by TEAMS. The OPA Case Manager must enter a 'D' code in the 'Disabled Indicator' field on the FS SEPA screen for each disabled household member coded 'IN' on FS SEPA to receive the medical deduction. TEAMS reads the date of birth on SSDO and allows the medical deduction coded against an elderly member. The medical deduction for an elderly individual begins the month of the individual's 60th birthday.

ME Medical Expense

► MC Medicare Premium Part B (TEAMS requires a Medicare # on the EPME screen before this code is valid)

**NOTE:** The 'MC' code should only be used for Part B.

MD Medical Expense Deceased

BD Blindness Expense Deduction

HI Health Insurance

FX Elderly or disabled individual who is no longer in the household

Section: ELIGIBILITY & BENEFIT  
DETERMINATION

Subject: Deductions (Medical)

### Allowable Medical Expenses

Medical Bill	Allowable for FS Expense
Past due obligations	No
Special diets	No, items that can be purchased with food stamps cannot be allowed as a medical expense. There is no exception for tube feeding.
Dental and medical care including psychotherapy and rehabilitation services.	Yes, if provided by a licensed practitioner authorized by State Law or other qualified health professional.
Costs reimbursable or paid by a third party.	No, Medicaid paid travel and premiums paid by THPL are reimbursements.
Prescriptions, over-the-counter drugs, medical supplies, sick room equipment (including rental) or other equipment.	Yes, each must be prescribed by a licensed practitioner.
Postage for mail-prescription drugs.	Yes
Medicare premiums	Yes, unless paid by a third party (QMB or SLMB). The month after QMB approval the Medicare premium expense cannot be given. The month of SLMB approval the expense is not allowed.
Health, hospitalization, and ambulance insurance policy premiums.	Yes, only the portion of the premium assigned to the elderly or disabled household member. If the policy does not state the amount of the premium for each insured individual, the premium is prorated among the insured household members. Only the prorated amount for the eligible member is considered a deduction.
Dentures, hearing aids and prosthetics.	Yes
Costs of attendant, homemaker, home health aide, child care or housekeeper services necessary because of age, infirmity or illness.	Yes, if the service is provided by someone outside the food stamp household. If the household provides the majority of the attendant's meals, deduct an amount equal to the one-person coupon allotment. If the attendant care costs qualify under the medical and dependent care deduction, allow as a medical deduction.
Medicaid co-payments	Yes, generally the best estimate for co-payments is to anticipate for initial months and average for ongoing eligibility.
Cancer or other specialized insurance policy costs.	Yes, if the policy itself states the monies are intended to be used to cover medical expenses. If the policy pays personal debt (car loan, mortgage etc.), the premium is not an allowable expense.

Section: ELIGIBILITY & BENEFIT  
DETERMINATION

Subject: Deductions (Medical)

Medical Bill	Allowable for FS Expense
Prescription for home meal delivery service.	No, generally payable with food stamps.
Loan payments for medical debt.	Yes, including medical expenses charged to a credit card. The interest or late fees are not allowed as part of the deduction.
Prescription to buy exercise equipment or get exercise at a health club.	No, club membership or purchase of equipment is not allowed. The services of a medical provider such as a physical therapist would be allowed.
Acupuncture	Yes
Chiropractor	Yes
Reasonable costs of transportation and lodging to obtain medical treatment or services; including, the cost of a trip to a pharmacy or other location to fill a prescription for medicine, dentures, a hearing aid, eye glasses, etc.	Yes, all costs must be verified and <u>not exceed</u> current lodging reimbursement rates for state employees and Medicaid travel costs for transportation. Meals are not an allowable expense. Reminder: expenses being reimbursed are not allowed as a deduction. If Medicaid travel will reimburse the expense, it cannot be allowed for FS.
Prescription eye glasses or contacts	Yes, if prescribed by an ophthalmologist or by an optometrist.
Securing and maintaining 'service animals' such as seeing eye dogs, hearing guide dogs and monkeys specially trained to provide a service to the disabled.	Yes, in addition to the initial purchase of the animal, animal food and veterinary bills are also allowed as a deduction.
Hospitalization or outpatient treatment, nursing care, and nursing home care.	Yes, including payments by the household for an individual who was a household member immediately prior to entering a hospital or nursing home. Only medical costs are allowed. The cost of room and board is not allowed.
Current cash option payments made to meet an incurment obligation of Medicaid recipients	Yes, if the household anticipates paying the cash option.
Medic Alert System, Life Line or other home monitoring system.	Yes, as follows: The basic fee for the telephone is a utility expense; and, The additional expense for the medic alert system is an allowable medical expense.

Section: ELIGIBILITY & BENEFIT  
DETERMINATION

Subject: Deductions (Medical)

Medical Bill	Allowable for FS Expense
Fee for membership in a mail-order prescription drug company.	No. The fee is not insurance and the fee does not actually pay for the drugs, treatment, or other specified medical expenses.

Department of Public Health  
and Human Services

Section:  
ELIGIBILITY AND BENEFIT  
DETERMINATION

FOOD STAMP PROGRAM

Subject:  
Deductions (Shelter)

**Supersedes:** FS 602-4 (04/01/07)

**References:** 7 CFR 273.9(d)(1) through (6), 7 CFR 273.10(d)

GENERAL RULE -- A shelter deduction is based on shelter expenses anticipated to be incurred by the household. Shelter expenses are determined by using the most recent month's expenses unless the household is reasonably certain a change will occur.

### **SHELTER COST CAP**

A shelter deduction is allowed for monthly shelter expenses that exceed 50% of the household's income after all other allowable deductions. This deduction is capped.

**EXCEPTION:** There is not a capped shelter deduction for a household with an elderly or disabled member. A household with an elderly or disabled member coded 'IN' on FS SEPA receives a shelter deduction for the full monthly amount that exceeds 50% of the household's monthly income after all other expenses are deducted.

**The OPA Case Manager must enter a 'D' code in the 'Disabled Indicator' field on the FS SEPA screen for households with a disabled member to receive the uncapped shelter deduction.** TEAMS reads the date of birth on SSDO and allows the excess shelter expense for households with an elderly member.

**NOTE:** A household that includes an elderly or disabled member who is an ineligible alien or SSN disqualified coded 'DS' or is disqualified coded 'DQ' or 'DF' is subject to the shelter cap deduction.

The maximum (capped) shelter deduction for households without an elderly and/or disabled member is:

\$417.00	10/01/06 - 09/30/07
\$431.00	10/01/07 - 09/30/08

►



Section: ELIGIBILITY AND BENEFIT DETERMINATION	Subject: Deductions (Shelter)
--	-------------------------------

**SHELTER EXPENSE GUIDELINES** The following are guidelines for all allowable shelter expenses:

1. Shelter costs must be payable in cash to someone outside the food stamp household.
2. Shelter costs are deducted ONLY in the month they become due regardless of when they are paid.
3. Households may elect to have fluctuating expenses or those billed less often than monthly averaged.
  - a. One-time expenses (e.g., repair of a furnace after a natural disaster): average the expense over the months in the current certification period. These expenses cannot be averaged over any month past the next recertification; code 'ND' on EXPE.

**Example:**

A household has a 12-month recertification period (January-December). In March a one-time allowable shelter expense of \$1,200 is incurred. The \$1,200 is averaged over the entire recertification period (\$1,200 divided by 12 = \$100). A \$100 expense from April through December is allowed. The \$100 for January through March is not allowed as an expense.

- b. Expenses billed less often than monthly (e.g., quarterly insurance and/or property taxes): average over the interval between billings or over the period it is intended to cover regardless of the length of time until the next recertification. These expenses can be extended past the recertification date.
4. Expenses billed or due weekly or bi-weekly are factored.
5. Shelter costs paid by disqualified or ineligible members are treated as follows:

**'DQ' or 'DF'** FS SEPA participation code deducts all shelter expenses (except utility allowances - Page 7) paid by a disqualified individual in computing the shelter deduction.

---

Section: ELIGIBILITY AND BENEFIT  
DETERMINATION

---

Subject: Deductions (Shelter)

---

**'DS'** FS SEPA participation code prorates the shelter expenses (except utility allowances - Page 7) coded against these individuals by dividing the expenses paid by the 'DS' individual evenly among all household members. TEAMS counts the allowable shelter expenses except the ineligible member's share. **The OPA Case Manager must code only the portion of shelter expenses paid or billed against the 'DS' member.**

**'OU'** FS SEPA participation code does not allow any expenses coded against these individuals (e.g., if an ineligible student pays all utility and shelter expenses, the expenses are coded against the ineligible student, and no shelter expenses are allowed).

**ALLOWABLE  
SHELTER COSTS**

The obligated amount of allowable shelter costs is used as an expense deduction.

**Example:** The mortgage obligation is \$450 per month and the payment is \$550. An additional \$100 is paid toward principle. The mortgage obligation of \$450 is allowed as an expense.

The monthly obligated amount of mortgage/rent is allowed each month when determining the shelter deduction without regard to when it is actually paid.

**Example:** A household applies for benefits in April. It has a rent obligation of \$300 a month. The household paid its rent for March plus two months in advance. The verified rent expense of \$300 is allowed for April forward as an expense.

A property owner/landlord is allowed the full amount of shelter costs (such as mortgage, taxes, insurance) that the household is required to pay to live there. The gross income minus the cost of doing business received from rental property if a household member is not involved in management of the property 20 hours/week or more is countable unearned income to the owner/landlord's household (FS 503-1).

**NOTE:** No portion of expenses can be used as both a shelter cost and a self-employment cost.

**Example:** Household A owns the home and rents a room to Household B. Both households are receiving food stamps as separate households. Household A has

Section: ELIGIBILITY AND BENEFIT DETERMINATION	Subject: Deductions (Shelter)
--	-------------------------------

mortgage payment of \$400 (includes taxes and insurance). Household B is responsible for \$100 rent and half of the heating/cooling expense.

Household A is entitled to \$400 for the mortgage expense and the full SUA. The \$100 from Household B is unearned income to Household A. Household A may claim self-employment allowable costs for providing the room such as paint, new carpet for the room.

Household B is entitled to \$100 rent expense and the full SUA.

**Separate households** residing in the same residence are allowed the actual amount of rent they are billed as a shelter deduction. When households reside together and neither household owns the residence, a rent payment made from one household to another is exempt as pass-through shelter payment up to the full amount of rent billed. If the payment is more than the full rent charged for the residence, the excess payment is unearned income to the household receiving the payment.

Allowable shelter costs include:

1. **Rent** including lot rent for a mobile home, but does not include rent for storage space, garage, or parking space.
2. **Mortgage** or other continuing charges leading to ownership of the shelter occupied by the household (e.g., loan repayments including interest for the purchase of a mobile home and condominium fees in their entirety).
3. Payments on **home equity loans, home equity lines of credit** or other forms of **second mortgages** that the home property is used as collateral.
4. **Property taxes**, state, and local **assessments**.

**NOTE:** Mandatory fees on a property tax bill, such as for garbage, are allowable as a part of the property tax deduction.

5. Home owner's **insurance** on the structure only.

Costs for insuring furniture or personal belongings are not allowed if the insurance policy separates structure and content

Section: ELIGIBILITY AND BENEFIT DETERMINATION	Subject: Deductions (Shelter)
--	-------------------------------

costs. The entire premium amount is allowed if the insurance policy does not separate structure and content costs.

**NOTE:** Mandatory fees for installment payments are allowed (e.g., \$2.03/mo extra for homeowner's insurance if paid monthly instead of annually).

**NOTE:** Renter's insurance is not an allowable expense.

6. Charges for **repair of a home** substantially damaged or destroyed due of a natural disaster, such as a fire or flood. The costs do not include charges for the repair of the home that have been or will be reimbursed by private or public relief agencies, insurance companies, or other sources.
7. **Utility** expenses. Households cannot claim actual utility expenses and are entitled to only one of the mandatory utility allowances.

**SPECIAL CIRCUMSTANCES**

1. **Moving** - if a household reports moving during the month and submits one set of bills from the previous address and one set of bills from the current address, the expenses from both locations that are due in the benefit month are allowed as expenses.

**NOTE:** Only one mandatory utility allowance for both homes is allowed as an expense.

2. **Unoccupied home** - the shelter costs for the **home** if **temporarily unoccupied** by the household because of employment or training away from home, illness, or abandonment caused by a natural disaster or casualty loss.

The household may claim both the shelter costs of its current residence and the costs of the unoccupied home as deductions. The maximum shelter deduction applies. All of the following criteria must be met for costs of an unoccupied home to be included in the household's shelter costs:

- a. The household must intend to return to the home;
- b. The current occupants of the home, if any, must not be claiming the shelter costs for food stamp purposes; and,

Section: ELIGIBILITY AND BENEFIT  
DETERMINATION

Subject: Deductions (Shelter)

- c. The home must not be leased or rented during the household's absence.

**NOTE:** Only one mandatory utility allowance for both homes is allowed.

3. **Two occupied homes** - sometimes a member of a household occupies and incurs out-of-pocket expenses for two homes because of employment or training away from home, or illness. Expenses are allowed for both residences (e.g., a spouse works as a traveling salesman and returns home each weekend, the cost of rent or motels while on the road is allowed as a shelter expense).

**NOTE:** Only one mandatory utility allowance for both homes is allowed.

4. **Group home residents** - (FS 201-6).

**SHELTER  
EXPENSES NOT  
ALLOWED**

The following shelter expenses are not allowed as a deduction:

1. Past due bills or amounts carried forward;
2. Expenses not verified;
3. Expenses paid by vendor payment unless the vendor payment is counted as income;
4. Costs that will be reimbursed. LIEAP is not a reimbursement. HUD or FmHA utility reimbursements are examples of reimbursed costs that are not allowed as a shelter deduction;
5. One time deposits;
6. Closing costs, as a whole, are not allowable expenses. Itemized allowable closing costs such as homeowner's insurance and property taxes are allowed as expenses;
7. Payments for prior months as an expense for the current benefit month; and,

**Example:** Household's monthly rent obligation is \$300/mo. Last month the household only paid \$100, so the landlord statement indicates this month's

Section: ELIGIBILITY AND BENEFIT  
DETERMINATION

Subject: Deductions (Shelter)

obligation is \$500. The \$300 is allowed as a rent deduction.

8. **In-kind benefits** are benefits that no monetary payment is made on behalf of the household.

**Example:** A household manages a duplex in exchange for rent. No money is exchanged. There is no income to count and no shelter expense is allowed; code 'IK' on EAIN.

### MANDATORY UTILITY ALLOWANCES

Households cannot claim actual utility expenses and are entitled to only one of the mandatory utility allowances. The household is allowed a mandatory utility allowance if the household is obligated to pay for heating, cooling, cooking fuel, electricity, water, sewage, garbage, and telephone expenses including charges for initial installation of the utility.

**NOTE:** Cooling costs are electricity expenses required to operate a swamp cooler or air conditioner (window or central unit) and do not include window fans. Space heaters do not entitle households to the SUA even if it is their only source of heat.

A household is allowed the full appropriate utility allowance if all of the individuals who share the utility expenses are not in the food stamp assistance unit because they are an ineligible alien, SSN disqualified, or ABAWD disqualified coded 'DS' or are disqualified coded 'DQ' or 'DF' but are otherwise required household members. This also applies to households with an ineligible student.

**Example:** The household of mom, boyfriend (ineligible student), and their child. Each pays half of the heating/cooling costs separate from the rent. The household receives the full SUA coded against mom.

1. **Standard Utility Allowance (SUA)** is a \$399 utility expense and is available to the following households:
  - a. Households incurring heating or cooling expenses separately from their rent or mortgage including any households charged only for excess heating/cooling costs if the household pays or is anticipated to pay excess heating/cooling costs for any one month.

Section: ELIGIBILITY AND BENEFIT DETERMINATION	Subject: Deductions (Shelter)
--	-------------------------------

**Example 1:** A household rents a public or private apartment for \$300 a month. In the summer months, the household pays \$10 a month to pay for the excess electricity generated by the household's air conditioning unit. The household is allowed the SUA year round because of its cooling costs.

**Example 2:** A household rents an apartment in public housing and is responsible to pay excess heating and/or cooling expense. The household is allowed the SUA year round if the household pays or is anticipated to pay the excess heating/cooling costs for any one month.

**Example 3:** A household rents a house for \$300 a month and is responsible to pay electricity. The house has central air conditioning. The household is allowed the SUA year round because of the cooling costs.

- b. Households receiving direct or indirect assistance under the Low Income Home Energy Assistance Act of 1981 (LIHEAA) that includes the Low Income Energy Assistance Program (LIEAP).
- c. Households in private/public rental housing who incur heating/cooling costs and are billed by their landlords on the basis of individual usage or who are charged a flat rate separately from their rent.
- d. Households receiving direct or indirect energy assistance that is excluded from income consideration (other than that provided under the LIHEAA) only if the amount of the expense exceeds the amount of the assistance, and the expense is for heating/cooling costs.

**NOTE:** The OPA Case Manager must thoroughly document their decision whether the SUA was or was not allowed as shelter expense.

The OPA Case Manager uses past utility information when it is an indication of what is

Section: ELIGIBILITY AND BENEFIT DETERMINATION	Subject: Deductions (Shelter)
--	-------------------------------

expected in the future. If the household's average utility costs exceed the HUD energy assistance and it is anticipated the same will most likely recur, the household is allowed the SUA.

If the past utility information leads the OPA Case Manager to believe that the same will not occur such as HUD expects to provide more assistance and the household expects less utility expenses, the SUA is not allowed.

- e. Households receiving direct or indirect energy assistance that is counted as income and incur a heating or cooling expense.
2. **Limited Utility Allowance (LUA)** is a \$189 utility expense and is available to households not entitled to the SUA but incur at least two non-heating/cooling utilities, such as electricity, water, sewer, garbage, or telephone including a cell phone if that is the only telephone used in the home.
3. **One Utility Allowance (OUA)** is a \$79 utility expense and is available to households incurring only one non-heating/cooling utility such as electricity, water, sewer, or garbage. This utility allowance does not include telephone costs.
4. **Telephone Allowance** is a \$32 utility expense and is available to households incurring telephone costs only. The household must incur the basic service fee for one telephone to be entitled to the telephone standard. The basic service fee for a cellular phone is allowable if that is the only telephone used in the home.

**NOTE:** If the household is self-employed and claims the cell phone as a business expense, it cannot also claim the phone as a utility expense.

If two or more **separate households** live together and each pays a utility expense, each household is entitled to the **same full** appropriate utility allowance such as the SUA **regardless of how the expenses are divided between the households**. The utility allowance is not prorated. If one household pays all of the utility expenses and the other household pays none, only the household paying the expenses is entitled to the appropriate utility allowance as an expense.



Section: ELIGIBILITY AND BENEFIT  
DETERMINATION

Subject: Deductions (Shelter)

**Example 1:** Household A and Household B live in the same apartment and are separate households. Both pay \$100 each for rent. Household A pays the heat bill, and Household B pays the electricity and phone bills. Both households are allowed \$100 rent and the full SUA because both are contributing to the utility expenses, and heat is one of the expenses.

**Example 2:** Household A and Household B live in the same apartment and are separate households. Household A pays \$200 rent and all utilities. Household B pays \$300 rent to Household A. Household A is allowed \$200 rent and the appropriate utility allowance as an expense; Household B is allowed \$300 rent and is not entitled to a utility allowance.

**Example 3:** Household A and Household B live at the same residence as separate households. Household A pays \$100 rent and electricity costs that does not include heating or cooling costs. Household B pays \$200 rent and telephone costs.

The residence has two utilities and both households shared in the costs so each household receives the full LUA as an expense.

#### UTILITY COSTS NOT ALLOWED

The following are examples of expenses that are not allowed:

1. One-time deposits;
2. Repair or replacement of things such as utility lines unless they were damaged or destroyed by a natural disaster such as a fire or a flood;
3. Late fees, interest charges or amounts carried forward from a past billing period; and,
4. Costs associated with cutting wood for heat such as cutting permits, gas for a chain saw and truck, or equipment like a chain saw.

#### VERIFICATION

Shelter expenses are verified:

Section: ELIGIBILITY AND BENEFIT  
DETERMINATION

Subject: Deductions (Shelter)

## OF SHELTER COSTS

1. At application;
2. At recertification, if questionable;

**NOTE:** Unchanged information is not required to be verified unless the information is incomplete, inaccurate, inconsistent or outdated.

3. At six month report period if the household moved, and the move results in changes in shelter costs;
4. At the six month report period, when shelter changes are reported during the six month reporting period or shelter changes are reported on the Six Month Report form whether or not the household was required to report the change and whether or not the change causes benefits to decrease;
5. If a six month reporting household moves during the six month reporting period and the change in shelter costs causes increased benefits; and,
6. If a change reporting household moved, and the move results in changes in shelter costs.

The OPA Case Manager must send the household a TEAMS notice allowing at least 10 days to provide verification of shelter costs. This request for verification must be sent prior to authorizing and approving benefits at application, recertification, and six month report period. The OPA Case Manager may not use approval notices as the 10-day request for shelter cost verification. Shelter costs not verified are not allowed as a deduction.

Verification must be requested even when the verified expenses will not change the allotment amount. The OPA Case Manager may not use approval notices as the 10-day request for shelter cost verification. Shelter costs not verified are not allowed as a deduction except for expedited processing of an application.

## UTILITY CODES

The SUA is coded on EXPE according to the heating or cooling source: 'CO SU' - coal; 'EL SU' - electricity; 'GP SU' - gas or propane; 'OI SU' - Oil; 'WO SU' - Wood; 'OH SU' - Other Heat Source.

1. **Non-heating or cooling costs** (code 'CO' - coal; 'EL' - electricity; 'GP' - gas or propane; 'OI' - oil; 'WO' - wood);

Section: ELIGIBILITY AND BENEFIT  
DETERMINATION

Subject: Deductions (Shelter)

**NOTE:** The cost for wood is only an allowable heating cost if a payment is made to a third party for the wood.

2. **Electricity** (code 'EL');
3. **Cooking fuel** (code 'GP' for gas/propane, and 'OI' for oil);
4. **Water and sewer** (code 'WA');
5. **Garbage and trash collection fees** are only allowed if they are not billed as a mandatory fee on the property tax bill (code 'GB');
6. **Initial installation and maintenance fees** charged by the utility provider including installation fees charged by the utility provider for wells and septic systems (code 'UI'); and,
7. **Standard telephone allowance** (\$32) for households that have a telephone in their home. The telephone standard is based on the basic fee and tax on the basic fee for one telephone (code 'TL').

Department of Public Health  
and Human Services

Section:  
CASE MANAGEMENT

FOOD STAMP PROGRAM

Subject:  
Non-Compliance Adjustment

**Supersedes:** FS 602-5 (04/01/07)

**References:** 7 CFR 273.11(j)

GENERAL RULE -- When benefits are reduced under a federal, state, or local means-tested public assistance program because a food stamp household member did not perform an action required under the assistance program or for fraud, the household's food stamp benefits cannot be increased.

Means-tested programs include: TANF Cash Assistance, Tribal TANF, or BIA Tribal Assistance.

#### **WHEN TO APPLY ADJUSTMENT**

The non-compliance adjustment (NCA) is only applicable when the household member who committed the non-compliance was receiving the other assistance program's benefit and food stamp benefits at the time of the non-compliance. The non-compliance must meet one of the following:

1. A behavioral requirement in the assistance program designed to improve the well-being of the family, such as participating in job search activities. For example, failure to comply with the TANF Family Investment Agreement (FIA)/WoRC Employability Plan (EP) resulting in a sanction; or,
2. The means-tested program is reduced due to repayment of the assistance grant as a result of not taking a required action other than a procedural requirement (see #3 below) of the other assistance program.

**NOTE:** The non-compliance adjustment is applied when there is a TANF disqualification for an Intentional Program Violation (IPV).

#### **WHEN NOT TO APPLY ADJUSTMENT**

The non-compliance adjustment is not applied when:

1. The non-compliance occurs at the time of initial application or when a new member is added to the household.

**EXCEPTION:** If the new household member is serving a sanction that was imposed while certified to receive food stamps and the other assistance

program's benefits, the non-compliance adjustment is applied to the new household; or,

If the new member has a repayment due to not taking a required action (other than a procedural requirement) that will reduce the household's current grant amount, the gross assistance grant amount must be used in the food stamp budget.

**Example:**

Dad and child are open on TANF and food stamps in April; mom and another child are open on TANF and food stamps in a separate case for April. Dad is sanctioned for May due to non-compliance with his FIA/EP. Dad and mom reconcile and the households are combined for May. Since dad is sanctioned for May, the non-compliance adjustment must be applied to the new combined case.

2. The disqualification is not a result of non-compliance with the assistance program requirements; e.g., probation/parole violation or ineligible alien, etc.
3. The disqualification is due to a procedural requirement that an individual must take to continue receiving benefits in the assistance program such as, submitting a program form or providing verification of circumstances.

**NON-COMPLIANCE  
ADJUSTMENT FOR  
TANF SANCTIONS**

The non-compliance adjustment amount for a program disqualification is the difference between the grant amount prior to the disqualification and the grant amount after the disqualification.

**Example 1:**

Household consists of mom and two children. WoRC recommends a first TANF sanction (penalty month) on October 10th. The OPA Case Manager imposes the sanction, changes TANF TEAMS SEPA coding to DQ/SN, de-authorizes TANF for November, and sends A741 notice to the household. The OPA Case Manager removes TANF from the food stamp budget for November and must send the F803 increase notice to the household because it is unknown at the time of the sanction recommendation if:

1. Mom will negotiate and agree to comply

with a new FIA/EP in October for the sanction month of November to receive the reduced TANF grant amount; or,

2. The TANF case will close because mom did not negotiate and agree to comply with a new FIA/EP in October for the sanction month of November.

If the OPA Case Manager is unable to remove the TANF income from the food stamp budget, he/she may need to use the 'AF' code on EXPE to zero out the income, and set an alert to remove the 'AF' expense code the following month.

If mom negotiates and agrees to comply with a new FIA/EP and TANF is authorized in time for timely notice of adverse action for November benefits, the non-compliance adjustment is coded 'OF' on UNIN against mom for November. Food stamp benefits are decreased and timely notice of adverse action must be sent to the household. The OPA Case Manager sets an alert to remove the non-compliance adjustment for December. If mom negotiates and agrees to comply with a new FIA/EP and TANF is authorized after timely notice of adverse action can be sent to the household, the non-compliance adjustment is not used. Food stamp benefits are not decreased for November.

If mom does not negotiate a FIA/EP in the sanction month of November for December, the TANF case is closed, and there is not a non-compliance adjustment.



**Example 2:**

Household consists of mom, stepfather, and mom's two children. WoRC recommends first TANF sanction (penalty month) for mom and stepfather on October 10th. The OPA Case Manager imposes the sanction, changes TANF TEAMS SEPA coding to DQ/SN, de-authorizes TANF for November, and sends A740 and A741 notices to the household.

The OPA Case Manager removes TANF from the food stamp budget for November and must send

the F803 increase notice to the household because it is unknown at the time of the sanction recommendation if:

1. Mom will negotiate and agree to comply with a new FIA/EP in October for the sanction month of November to receive the reduced TANF grant amount; or,
2. The TANF case will close because mom did not negotiate and agree to comply with a new FIA/EP in October for the sanction month of November.

If the OPA Case Manager is unable to remove the TANF income from the food stamp budget, he/she may need to use the 'AF' code on EXPE to zero out the income, and set an alert to remove the 'AF' expense code the following month.

If mom negotiates and agrees to comply with a new FIA/EP and TANF is authorized in time for timely notice of adverse action for November benefits, the non-compliance adjustment for mom is coded 'OF' on UNIN for November against mom. Food stamp benefits are decreased and timely notice must be sent to the household. The OPA Case Manager sets an alert to remove the non-compliance adjustment for December. If mom negotiates and agrees to comply with a new FIA/EP and TANF is authorized after timely notice, food stamp benefits are not decreased for November.



**Example 3:**

Household is serving 4th TANF sanction (6 month ineligibility period). The non-compliance adjustment (NCA) is the amount of the TANF grant prior to the disqualification and is coded 'OF' on UNIN. The household reports a new job and verifies the new job income with a verified upon receipt document. The new earned income must be used in the food stamp budget.

The new income along with the NCA puts household over the Gross Monthly Income (GMI) standard. The case is closed with timely notice

even though the household's actual income does not exceed the GMI because the OPA Case Manager must act on changes that affect the household's benefits which are not related to the assistance violation. The NCA must continue to be used because to not use it would negate the effect of the TANF sanction.



**Example 4:**

Household is serving 3rd TANF sanction (3 month ineligibility period) and has a small amount of earned income. The NCA is the amount of the TANF grant prior to the disqualification and is coded 'OF' on UNIN. The household reports the working individual is no longer working. Job ending and last check were verified.

The earned income is removed and the food stamp benefits increased. The OPA Case Manager must act on changes that would affect the household's benefits that are not related to the assistance violation. The increase in food stamp benefits is allowable because of the loss of income. The effect of the TANF sanction is not negated because the NCA is still counted and benefits are still lower than they would be without the NCA.

**NON-COMPLIANCE  
ADJUSTMENT  
PROCESS FOR  
REPAYMENT**

Use the following steps to assure the correct food stamp allotment is issued during an assistance program reduction due to a repayment as a result of not taking a required action in the assistance program (other than a procedural requirement).

First, determine what caused the repayment.

For **Tribal TANF, or BIA Tribal Assistance**, contact the appropriate agency to determine if the repayment is due to failure to comply with a program requirement (other than a procedural requirement). If so, enter the gross assistance payment amount on the UNIN screen using the appropriate income code.

For **TANF**, if the recoupment is due to failure to comply with TANF requirements, enter the difference between the gross and net benefit as 'OF' on the UNIN screen. If the repayment is due to an agency-caused error or a procedural requirement, continue to use the net TANF benefit amount.

Document TEAMS case notes and send appropriate notices.



**ONGOING  
NON-COMPLIANCE  
ADJUSTMENT**

When the repayment amount from the TANF program changes, the corresponding 'OF' amount must also change to assure the gross assistance payment amount is being counted in the food stamp budgeting process. For other assistance programs, continue to use the gross benefit amount with the appropriate income code.

The non-compliance adjustment is not changed when it is due to a program sanction. The 'OF' adjustment amount is only redetermined if initially determined in error or when a sanctioned individual moves out of the food stamp household during a sanction penalty period.

**NOTE:** The non-compliance adjustment is **not** redetermined when a child moves in or out of the food stamp household or annually when TANF benefit standards are updated.

**DURATION OF  
PROCESS FOR  
ADJUSTMENT**

**Due to TANF, Tribal TANF or BIA Tribal Assistance grant reduction:** Non-compliance adjustment continues as long as the assistance program grant is being reduced for a repayment caused by not taking a required action other than a procedural requirement.

**Due to program disqualification:** As long as the program assistance case remains open **and** the individual remains **disqualified** due to a sanction disqualification, the non-compliance adjustment must continue.

► **EXCEPTION:** The non-compliance adjustment continues if the other assistance program's disqualification continues after closure. For example, 1, 3, 6 month(s) ineligibility period due to TANF sanction.

► **Example:** Household consists of mom, stepfather, and two children. WoRC recommends third TANF sanction (3 month ineligibility period). The OPA Case Manager imposes the sanction, changes TANF TEAMS SEPA coding to DQ/SN. The TANF case is closed effective October 31st. The non-compliance adjustment is the amount of the TANF grant for a household size of 4 (\$568) coded 'OF' on UNIN for November, December, and January. Set an alert to remove the non-compliance adjustment for February's budget.

**►RE-APPLICATION  
DURING  
PENALTY  
PERIOD**

The non-compliance adjustment applies at application if the household is serving a TANF sanction.

**Example:** Mom, dad and two children receive TANF and food stamps. Dad does not comply with his FIA/EP and second sanction (1 month ineligibility period) is imposed for April. Mom requests TANF and food stamp case closed March 31st. On April 10th the household reapplies. The household must serve the TANF sanction for April, therefore, the non-compliance adjustment is imposed for April by including the non-compliance adjustment amount on the UNIN screen as 'OF'.

TP

Department of Public Health  
and Human Services

Section:  
WORK REGISTRATION

FOOD STAMP PROGRAM

Subject:  
Overview

**Supersedes:** FS 700 (10/01/07)

**References:** 7 CFR 273.7, Food Stamp Act Section 6(D)(2)

GENERAL RULE - At **application and recertification**, the OPA Case Manager must explain to the applicant/participant the consequences of a household member quitting a job, reducing hours of employment or failing to comply with other work registration requirements. As a condition of eligibility the household must also cooperate in providing sufficient information regarding employment status and availability for work. The HCS-543A (Food Stamp Program Work Registration Understanding and Agreement) form is used to register mandatory work registrants and informs all household members of work registration program requirements. The form is mandatory for all households except those in which all members are exempt from work registration (FS 701-1). **Only one signature from any responsible household member is required**, attesting to the registration of all mandatory registrants. If no one in the household age 16 or older will sign the HCS-543A, all **mandatory** individuals are disqualified (FS 705-1).

Work registration status is recorded on the TEAMS Work Registration/Food Stamps (WORF) screen. The WORF screen must be coded correctly based on FS 701-1 and a TEAMS case note must be entered to document work registration information was provided via the HCS-543A. The WORF screen code must be updated when a change of status occurs and at every recertification.

## REGISTRATION PROCESS

The signed HCS-543A form is the only verification needed to meet the requirement of registering for work. Unless otherwise exempt, all members of a food stamp household who are at least age 16 and not yet 60 are required to register for work. When providing the form to the household, the OPA Case Manager lists the names of mandatory individuals on the form.



The OPA Case Manager must explain that work registration disqualifications also apply to individuals who lose their exempt status due to a violation (e.g., job quit or reduction in hours without good cause). Individuals who lose their exempt status must register for employment when the change is reported or at their next recertification or six month review if the change is not reported (FS 1501-3 or FS 1501-4).

The OPA Case Manager is responsible for providing the participant with a work registration form and entering a case note indicating the date when the change is reported. Participants are responsible for returning the completed form to OPA within 10 calendar days from the date the form was provided to the household. If the participant fails to return the completed form, OPA must issue a notice of adverse action stating that the individual has been disqualified and why, but that the disqualification can be avoided by returning the form.

Those persons who lose their exemption due to a change in circumstances that is not subject to the reporting requirements must register for employment at the next recertification or six month report period. Any household member 16 years or older can sign the HCS-543A.



**Example:** Mike, a single household member, reported to his Case Manager that his physician released him to go back to work in the fourth month of his six month report period. The OPA Case Manager changes the WOLF screen to 'MA', enters a case note, sends Mike form HCS-543A to sign, and a ten day notice. Mike did not return the HCS-543A within ten days and his case is closed with timely notice.

The NCR copy of form HCS-543A should be given to the participant. The back of the participant's copy includes the work registration requirements, exemptions and the definition of unsuitable employment. A signed original must be in the case file for all households when all members are not work registration exempt (FS 701-1).

## FSET

In addition to the basic work registration requirements, in counties where there is a Food Stamp Employment and Training (FSET) Program, (Lewis and Clark, Missoula, Silver Bow and Yellowstone Counties), OPA Case Managers are required to refer mandatory work registrants (coded 'MA' on WOLF) to the FSET Program. Able Bodied Adults Without Dependents (ABAWDS) who have time limited benefits may lose benefits by not enrolling in FSET (FS 801-1). Form HCS/FS-001 is the FSET referral form.

**NOTE:** Once referred to FSET, the individual may chose not to enroll. This may affect benefits of ABAWDS who do not have any exemptions to the ABAWD time limits.

Department of Public Health  
and Human Services

Section:  
WORK REGISTRATION

FOOD STAMP PROGRAM

Subject:  
Work Registration Exemptions

**Supersedes:** FS 701-1 (04/01/07)

**References:** 7 CFR 273.7

**GENERAL RULE**--To be exempt from work registration, an individual must meet one of the exemptions listed below:

**NOTE:** Households which are categorically eligible for food stamps are not automatically exempt from work registration. Also, living in a geographically ABAWD (Able Bodied Adult Without Dependents) exempt area does not automatically exempt an individual from work registration.

**Individuals who do not meet a listed work registration exemption must be coded mandatory ('MA') on the WOLF screen.**

The following individuals are exempt from work registration:

## **AGE**

1. Individuals age 15 or younger and age 60 or older. If an individual reaches his/her 16th birthday within the redetermination period they will register as part of the next scheduled recertification process, unless otherwise exempt (WOLF code: 'AG').
2. Individuals age 16 or 17 are exempt if they are:
  - a. Not the primary information person ('PI') on TEAMS (WOLF code: 'NH'); or,
  - b. Attending school at least half-time as defined by the institution (WOLF code: 'ST').

## **STUDENT**

3. Individuals age 18 or older who are enrolled at least half-time in any recognized school, training program or institution of higher education, who also meet the eligibility requirements as an eligible student. See the eligible student section FS 201-5 (WOLF coding is 'CS' for those in higher education and 'ST' for all other students). The student exemption continues through normal periods of class attendance, vacation and recesses. If the student graduates, enrolls less than half-time, is suspended or expelled, drops out or does not register for the next term, the exemption ends and the student must register for work.

**DEFINITIONS:** “Half-time”- as defined by the school or training program. If the institution does not have a definition, use prudent judgment and clearly document basis for decision in TEAMS case notes.

“Recognized” - any school or training program approved, funded or operated by a federal agency or accredited by the state is considered recognized for the purpose of establishing an exemption.

## DISABILITY

4. Individuals physically or mentally unfit for employment. If physical or mental incapacity is claimed and the incapacity is not evident to the OPA Case Manager, verification is required. Appropriate verification may consist of entitlement to temporary or permanent disability benefits issued by government or private sources; receipt of Vocational Rehabilitation services, Workmans' Compensation payments or Developmental Disability services; or a statement from a physician or a licensed or certified psychologist or psychiatrist. Since eligibility workers are not licensed to diagnose mental disorders, all such claims must be verified by a licensed practitioner (WOLF code: 'DI').

If the individual is waiting for Workmans' Compensation, Vocational Rehabilitation or Developmental Disability eligibility determination, they are not in receipt of services and therefore must provide medical documentation before an exemption can be given.

**NOTE:** When verification is required, it should indicate that the individual is unable to work an average of 30 hours a week and the approximate length of time the individual will be unable to work an average of 30 hours a week. Restrictions on working do not mean the individual is unable to work.

5. Individuals with a current SSI application pending with the Social Security Office (WOLF code: 'DI'). If SSI has been denied but SSDIB is still being considered, the exemption will need to be determined based on the conditions in number 4 above. As long as an SSI appeal is pending for SSI, the application is considered current.
6. Individuals approved by Social Security for disability payments, either SSI or SSDIB (WOLF code: 'DI').

**NOTE:** Remember to set the 'D' indicator for the disabled individual on SEPA.

**NOTE:** All protected health information received for eligibility purposes must be handled according to the HIPAA Manual.

**EMPLOYED**

7. An individual who is employed or self-employed and working at least 30 hours weekly **or** receiving weekly earnings equal to or greater than the federal minimum wage multiplied by 30 hours. This includes self-employed or contract persons who would be certified for one year when the county determines that the employment constitutes a full-time job. This also includes migrant and seasonal farm workers who are under contract or similar agreement with an employer or crew chief to begin employment within 30 days (although this shall not prevent individuals from seeking additional service from Job Service). For persons receiving a training wage, the training wage will be substituted for the applicable Federal or State minimum wage when determining if these persons are exempt from work registration (WOLF code: 'EM').

**NOTE:** For individuals hired under contract, view the contract to determine the anticipated number of weeks the individual will be working in the position. Then determine the number of hours per week to evaluate if this exemption exists.

**Example:** Terms of contract indicate a 12 month contract but the individual is only working 9 months out of the year at an average of 40 hours a week. The calculation would be as follows: 9 months x 40 hours per week x an average of 4.3 weeks per month divided by 52 weeks of contract equals = 29.77 hours a week. This person is exempt from ABAWD, but would only be exempt from work registration if being paid above minimum wage.

**CARING FOR A DEPENDENT CHILD UNDER SIX OR AN INCAPACITATED PERSON**

8. The work registration exemption applies to a parent or a household member who is actually caring for a dependent child under six years of age or an incapacitated person, even if the child or incapacitated person is not part of the food stamp filing unit. Additionally, the dependent child or incapacitated person need not live with the food stamp household. However, the exemption would not apply to the parent or household member if the dependent or incapacitated person is residing with another household and the household is providing the care. If the OPA Case Manager questions this exemption, medical documentation of need may be requested.

**Example:** Amy is the five year old foster child of Jane. Amy is not included in Jane's food stamp household unit. Jane has a work registration exemption because she is caring for Amy.

Only one adult can claim responsibility for one child for an exemption. If the household contains two adults and one child, only one adult can claim the exemption. If the household contains two adults and two children, each adult could claim an exemption. The situation needs to be evaluated to determine if one adult has responsibility for one child while the other adult has responsibility for the other child.

## WORC REQUIREMENTS

9. Individual caring for an incapacitated person. If the OPA Case Manager questions this exemption, medical documentation of need may be requested (WORF code: 'CU').

10. Individuals complying with a Family Investment Agreement (FIA) for TANF Cash Assistance or participation in an Individual Family Plan (IFP) for Tribal TANF cash assistance (WORF code: 'IV').

Only use the 'IV' code on WORF if the participant does not meet any other exemption.

## DRUG AND ALCOHOL

11. Individuals who are regular participants in a drug addiction or alcoholic treatment and rehabilitation program. If the exemption is questionable, documentation may be requested (WORF code: 'DR').

## UNEMPLOYMENT

12. Individuals subject to and complying with Unemployment Compensation system requirements, including one who has applied for, but has not yet begun to receive Unemployment Compensation.

If the exemption is questionable and documentation cannot be confirmed via MISTICS inquiry, the participant shall be responsible for verifying the exemption (WORF code: 'UC').

**NOTE:** One of the requirements for unemployment is to actively begin seeking employment.

**NOTE:** Applying for unemployment after quitting a job does not exempt an individual from disqualification for "job quit" (FS 703-1).

## ► LOSS OF

Household members who have been exempt from work



**EXEMPT  
STATUS**

registration may lose their exempt status due to changes in the circumstances of the household or of the individual member. Some changes must be reported under change reporting requirements (FS 1501-1). If a change is reported and it results in a person losing a work registration exemption, the person must register at the time the change is acted upon. If the change is not required to be reported, the person must register at the next recertification. Changes in circumstance that would require a previously exempt member to register for employment include, but are not limited to:

1. Loss of employment, change in hours, or change in earnings;
2. The sole dependent child leaves home; or,
3. Sanction from TANF Cash Assistance or Tribal TANF due to non-compliance with any FIA or IFP activity.

When an individual has lost exemption status, the OPA Case Manager must:

1. Update the individual's work registration code to 'MA' on WOLF;
2. Send an HCS-543A to the household;
3. Send a notice to the household stating the HCS-543A must be signed by **any** household member 16 or older as a condition of eligibility for the household member who lost exemption status; and,
4. Enter a case note explaining the loss of exemption status.

**NOTE:** If the household fails to submit a completed HCS-543A, the individual is disqualified from the household's food stamp benefits. The household must be provided with timely notice of decrease.

**EXCEPTION:**

If the household is subject to six month reporting requirements, and the change is not reported, the decrease will not be effective until month six or recertification, whichever is first.

yb

Department of Public Health  
and Human Services

Section:  
WORK REGISTRATION

FOOD STAMP PROGRAM

Subject:  
FSET Referrals

**Supersedes:** FS 702-2 (04/01/07)

**References:** 7 CFR 273.7, 7 CFR 273.24, Food Stamp Act Section 6 (D)(2)

► GENERAL RULE - - The Food Stamp Employment and Training Program (FSET) is available in Lewis and Clark, Missoula, Silver Bow, and Yellowstone Counties as a voluntary program. Food stamp recipients without work registration exemptions (coded 'MA' on WOF) (FS 701-1) who are living in one of these counties will be referred to the FSET Program at the time of intake with the Office of Public Assistance (OPA).

Able Bodied Adults Without Dependents (ABAWDS) who are subject to the three month time limit (FS 800) will be exempt from the time limit while they are attending FSET. All ABAWDS will be referred to FSET and given the opportunity to enroll. If they choose not to attend FSET and they have no other exemption, they will be limited to receiving three months of food stamps in a 36 month period (FS 800). OPA will inform every ABAWD of the ABAWD three month provision.

**NOTE:** Food stamp recipients with work registration exemptions (other than receiving TANF cash) who request a referral to FSET may receive one. FSET will determine what services, if any, are appropriate for the individual. Referrals to other agencies, may be made by FSET.

## PROCEDURE

The OPA Case Managers will use referral form HCS/FS-001 to refer individuals to FSET. The OPA Case Managers will check the appropriate box describing the status of the referral. ABAWDS without a time clock exemption will receive priority at FSET. Other referrals may be placed on a waiting list if FSET reaches maximum capacity. Food stamp recipients who decline to volunteer after their first referral, and who later want to participate, may be referred again.

FSET will enter a case note on TEAMS when an ABAWD enrolls and closes out of FSET. FSET will notify OPA by other methods, such as returning form FS-001, of no shows. It is the responsibility of the household to follow reporting rules and notify OPA of changes.

Department of Public Health  
and Human Services

Section:  
WORK REGISTRATION

FOOD STAMP PROGRAM

Subject:  
Good Cause

**Supersedes:** FS 703-1 (10/01/02)

**References:** 7 CFR 273.7, Food Stamp Act Section 6 (D)(2)

**GENERAL RULE** -- Circumstances may exist which hinder the individual in fulfilling an eligibility requirement or providing verification. These circumstances must be fully explained and verified. The OPA Case Manager will evaluate these circumstances and determine if good cause exists prior to taking an adverse action to deny, terminate, disqualify, or decrease benefits. Prudent worker judgment is necessary to determine if a disqualification for quit/reduction of hours should be imposed. Document on TEAMS (CANO) the exemptions or good cause.

**NON-COMPLIANCE WITH REQUIREMENTS** The following circumstances must be present and verified to allow a claim of good cause for failure to comply with work registrant requirements in FS 702-1.

#### **ILLNESS/INJURY**

1. A temporary severe illness or injury serious enough to prevent reporting or attending the appointment (medical evidence is required);
2. A physical or mental incapacity significantly impairs the individual's ability to understand and/or comply with program requirements (medical evidence required);

#### **TRANSPORTATION**

3. There is a temporary breakdown in transportation or child care arrangements;

#### **WEATHER**

4. Severe weather conditions as experienced in the community; or,

**CIRCUMSTANCES BEYOND PARTICIPANT'S CONTROL**

5. Any other circumstances which are beyond the control of the applicant/participant.

**VOLUNTARY QUIT/  
REDUCTION IN  
HOURS**

Voluntary quit is defined as resigning or being terminated from employment when continuing employment is within the participant/applicants control. This would include being fired for misconduct. It would not include being fired due to being physically incapable of performing the job.

The voluntary quit/reduction of hours rule does not apply when the individual meets one of the following:

**EXEMPT FROM WORK REGISTRATION**

1. Is exempt from work registration rules **at the time of the quit** -- unless the exemption is for working a minimum of 30 hours per week;

**NOTE:** Applying for unemployment or TANF cash assistance after the quit is not good cause unless the individual met another good cause exemption **at the time of quit**. However, if the individual is approved for unemployment or TANF cash assistance s/he has overcome the disqualification.

**DISCRIMINATION**

2. Quit because of discrimination by the employer on the basis of race, religious belief, national origin or political beliefs;

**WORK CONDITIONS**

3. Was subject to work demands or conditions which were unreasonable (such as working without being paid on schedule);

**UNSUITABLE EMPLOYMENT**

4. Was employed in a job which meets the definition of unsuitable employment (FS 704-1);

**ELIGIBLE STUDENT**

5. Was required to leave employment because of acceptance into an institution of higher education at least half-time (FS 201-5);

**MOVING**

6. Was required to move to another community because another household member accepted employment, education or training;

**MOVE/COMMUTE**

7. Makes a change in residence (a move) which results in more than two hours commuting time to and from the job;

**RETIRES**

8. Resignations by individuals under age 60 which are recognized by the employer as retirement;

**EMPLOYMENT CHANGE**

9. Quit a job to accept a bona fide employment offer of more than 30 hours a week which either did not materialize or resulted in fewer than 30 hours a week, or equivalent pay of 30 hours times the minimum wage;

**PATTERN OF EMPLOYMENT**

10. Leaves a job in connection with patterns of employment such as construction or migrant farm work;

**REDUCTION/BEYOND PARTICIPANT'S CONTROL**

11. Has reduced his/her hours of work while employed with the same employer due to something beyond the employee's control;

**SELF-EMPLOYMENT TERMINATION**

12. Terminated a self-employment enterprise for any reason; and,

**RESIGNS/BEYOND PARTICIPANT'S CONTROL**

13. Resigns at the demand of the employer or is fired, when the reason for the termination is **beyond the employee's control**.

**Example #1:**

The person has been warned by the employer to not yell at customers and continues the objectionable behavior after the warning. Even though the employer fires her, it can be considered a voluntary quit because the issue was within the employee's control. The same would be true if the employee was consistently showing up late for work.

**Example #2:**

A person is considered to have voluntarily quit if s/he leaves the job unannounced or does not return to work. However, good cause would need to be considered (e.g., it is not considered a voluntary quit if the person provides verification that the quit was due to a **severe** illness or other good cause reasons, even if s/he did not report this to the employer).

**NOTE:** If an individual quits a job, secures comparable employment, and then gets laid off or loses the job through no fault of his own, the earlier quit will not form the basis for a disqualification.

**NOTE:** An employee of the federal government, or state or local government who participates in a strike against such government, and is dismissed from his or her job because of participation in the strike, shall be considered to have voluntarily quit the job without good cause.

yb

Department of Public Health  
and Human Services

Section:  
WORK REGISTRATION

FOOD STAMP PROGRAM

Subject:  
Unsuitable Employment

**Supersedes:** FS 704-1 (09/01/98)

**References:** 7 CFR 273.7, Food Stamp Act Section 6 (D)(2)

GENERAL RULE -- A job is considered unsuitable employment under any of the following conditions:

- |                |   |
|----------------|---|
| <b>≥WAGES</b>  | 1. It pays less than the Federal minimum wage, the State minimum wage, or less than 80% of the Federal minimum wage if the job is not covered by minimum wage laws; |
|                | 2. It is offered on a piece-rate basis and the average hourly pay does not meet the requirements of #1 above;   |
| <b>SAFETY</b>  | 3. It is dangerous to health or safety;   |
| <b>COMMUTE</b> | 4. It requires a daily commuting time of more than two (2) hours. This time cannot include time to transport a child to and from day care;                          |
- EXAMPLE:**  
A household moves from Beach, North Dakota to Wibaux, Montana (10 miles). The commuting time to the current job remains under two hours, but earner quit his job to move. This move would not be good cause for quitting even though the household has moved to another state because the commuting time is less than two hours.
- |                    |   |
|--------------------|---|
|                    | 5. The distance to the place of employment prohibits walking and no transportation is available;            |
| <b>LIMITATIONS</b> | 6. It is work that the individual is physically or mentally unable to do as documented by medical evidence; |
| <b>UNION</b>       | 7. It requires that the individual join or resign from a union or prohibits joining a union;                |

**NOTE:** An individual required to pay representation fees to the union but not required to actually join the union does not have good cause. (e.g., state or federal employees)

Section: WORK REGISTRATION

Subject: Unsuitable Employment

- |                            |     |  |
|----------------------------|-----|--|
| <b>STRIKE</b>              | 8.  | There is a strike or lock-out at the work site at the time the job is offered (unless the strike has been enjoined under the Taft-Hartley Act or the Railway Labor Act); |
| <b>FIELD OF EXPERIENCE</b> | 9.  | Employment offered in the first 30 days of registration is not in the major field of experience; or  |
| <b>RELIGION</b>            | 10. | The type of work or hours interfere with religious beliefs.  |

yb



Department of Public Health  
and Human Services

Section:  
WORK REGISTRATION

FOOD STAMP PROGRAM

Subject:  
Disqualification

**Supersedes:** FS 705-1 (04/01/07)

**References:** 7 CFR 273.7, Food Stamp Act Section 6 (D)(2)

► **GENERAL RULE** -- Work registration mandatory individuals will be disqualified if they refuse without good cause to accept a bona fide offer of suitable employment at a site not subject to a strike or lockout, at a wage equal to the higher of the Federal or State minimum wage. Mandatory registrants applying for or already approved for food stamps, who without good cause fail to comply with work registration, may be subject to disqualification (coded 'DQ' on SEPA).

The disqualification applies to the noncompliant individual; however, if the disqualification of the individual results in the household being ineligible for benefits:

1. The application is denied and the disqualification is not applied; or,
2. The case is closed and the disqualification is applied.

**DISQUALIFICATION  
TIME PERIODS**

1st offense: One month or until the failure or refusal ceases, whichever is longer.

2nd offense: Three months or until the failure or refusal ceases, whichever is longer.

3rd and all subsequent offenses: Six months or until the failure or refusal ceases, whichever is longer.

**NOTE:** When the disqualification is due to a job quit, the individual can regain eligibility once the disqualification has been served.

See "Ending Disqualification Due to an Exemption"  
on Page 5 of this section.

**NOTE:** An example of "failure or refusal" is refusal to sign the HCS 543-A.

Section: WORK REGISTRATION

Subject: Disqualification

**START DATE/  
ONGOING  
HOUSEHOLDS**

The disqualification period begins the month after the expiration of the Notice of Adverse Action unless a fair hearing is requested and continued benefits are requested during the hearing process. Timely notice of adverse action must be sent.

**NON-COMPLIANCE  
IN SIGNING  
THE HCS 543-A**

If the disqualification is due to refusal to sign the HCS 543-A, Food Stamp Program Work Registration Understanding and Agreement Form, the individual (s) will be disqualified at least the minimum period (1, 3 or 6 months depending on whether it is a 1st, 2nd, or 3rd offense) **and** until someone in the household age 16 or older signs the HCS 543-A form.

**Example:** A household of two apply for food stamps May 5th and both refuse to sign the HCS 543-A. She is mandatory and he is exempt from work registration requirements due to disability. If the household is otherwise eligible, code her 'DQ'. Since this is her first violation, the disqualification is a minimum of one month (unless she becomes exempt). He will be coded 'IN' for food stamps in May. She will be added the month after the HCS 543-A form is signed (e.g., signs June 5th so she is added for July).

**VOLUNTARY  
QUIT**

The job quit provision applies only if the employment involved:

1. Thirty hours or more per week; or,
2. Provided weekly earnings at least equivalent to the Federal minimum wage multiplied by 30 hours; **and**,
3. The quit occurred within 30 days prior to the date of application or anytime thereafter, and the quit was without good cause.

**NOTE:** If an individual quits a job within 30 days of application, secures new employment at comparable wage or hours and is then laid off, through no fault of his/her own, the earlier quit will not form the basis of a disqualification

**NOTE:** An application cannot be held beyond the normal processing time frame while a determination of voluntary quit is being made.

Section: WORK REGISTRATION

Subject: Disqualification

**MULTIPLE  
MEMBER  
HOUSEHOLD**

At application, if it is discovered a job quit occurred within the 30 days prior to application and the quit was without good cause, the disqualification is effective the date of determination of eligibility for the remaining household members (typically the date of application). The individual will be disqualified according to the minimum mandatory disqualification schedule.

**Example:** Household of three applies for food stamps on September 12th. An individual in the household had a first time job quit on September 1st. Household was determined eligible for food stamps on September 15th retroactive to date of application. The individual with the job quit will be added in the food stamp unit November 1st. At least 30 days of disqualification begins September 12th and, because an individual cannot be added to the food stamp unit in the middle of a month, the individual will be added in November 1st.

**ONE-PERSON  
HOUSEHOLD**

If a one-person household is applying and that individual has quit a job within 30 days prior to application and there was no good cause, the application is denied. He/she could reapply, but the application would be denied again until the job quit would be more than 30 days from the date of application. Upon reapplication (30 days after the quit) there will be no disqualification as the job quit look back period has been satisfied.

**Example:** A single person household applies for food stamps on September 12th. The individual had a job quit on September 1st without good cause. The application is denied and the individual must reapply on October 1st. On October 1st he is eligible without any disqualification period.

**NOTE:** When a one-person household is denied due to job quit, they do not need to complete a new application since the first one is less than 30 days old. However, another interview (possibly by phone) needs to be conducted to verify current circumstances (FS 104-4).

**ONGOING  
HOUSEHOLDS**

After an application is approved and a disqualification period is imposed for a voluntary quit, the offense will count one, three or six months as appropriate beginning with the first of the month after all normal procedures for taking adverse action have been followed.

If an individual is disqualified for job quit and does not become exempt from work requirements during the disqualification, the full disqualification must be served. When the disqualification has been served, the individual

Section: WORK REGISTRATION

Subject: Disqualification

or another household member age 16 or over must comply with work requirements by signing the HCS 543-A. If a household member complies, the disqualified individual regains eligibility.

**Example:** Ann and her two children over six years of age apply for food stamps on January 1st. Ann is working 30 hours a week and earns minimum wage. On February 10th Ann quits her job without good cause. Ann is a six month reporter and does not report this quit until June 2nd. At that time she verifies that she quit her job without good cause. The OPA Case Manager will change income for July and remove Ann due to job quit. No overpayment or underpayment is established. Loss of employment is not a mandatory reportable change for six month reporting households and she is not an ABAWD subject to the time limits. This is Ann's first offense and she has signed HCS-543A. She is added back into the household in August.

## TRACKING

The disqualification will follow the individual if he/she becomes a member of another household. As TEAMS does not currently track FS work registration disqualifications, it is vital to have clear, concise TEAMS case notes for tracking. Case notes are to be titled "1st (2nd) (3rd) FS disqualification". Be sure to set appropriate alerts on TEAMS (both ETAL and PRAP). Please set PRAP alerts as 'DQ' and '?' until TEAMS is enhanced to allow PRAP codes of F1, F2, and F3 codes.

## ENDING DISQUALIFICATION DUE TO AN EXEMPTION

During the work registration disqualification period, eligibility may be re-established if the member who caused the disqualification becomes exempt from work registration requirements (FS 701-1).

**NOTE:** In the case of an exemption for the receipt of Unemployment Insurance (UI) or TANF Cash Assistance, the individual must actually be receiving UI or TANF Cash Assistance before the disqualification can end.

The disqualification will count as an offense if the individual has served one or more days of the disqualification prior to the reported exemption. Add the individual to the case the first of the following month.

All **non-exempt** individuals must serve **at least** the minimum disqualification period (one, three or six months). The minimum disqualification period cannot be avoided by requesting closure and reapplying. If the reapplication is during the disqualification period, the individual must be

coded 'DQ' on SEPA until the minimum period is served. (If all individuals are DQ, deny the reapplication.)

**REDUCTION IN  
HOURS**

In the instance of a disqualification for reduction in hours, the disqualification can end at the end of the minimum disqualification period (one, three, or six months) if there is verification the reduction is beyond the employee's control. For example, if the employer states the hours have been given to other employees and there is currently no way of increasing hours for the participant.

yb

Department of Public Health  
and Human Services

FOOD STAMP PROGRAM

Section:

ABLE BODIED ADULTS WITHOUT  
DEPENDENTS

Subject:

Overview

**Supersedes:** FS 800 (10/01/05)

**References:** 7 CFR 273.7, 7 CFR 273.24, FS Act section 6 (D)(2)

GENERAL RULE--The Able Bodied Adults Without Dependents (ABAWD) provision limits the receipt of food stamps to three initial months and up to three extended months in a 36 month period. Montana was granted a waiver from this limit in 20 counties and the reservations for one year based on labor market statistics (FS 802-1). In Yellowstone, Silver Bow, Missoula and Lewis and Clark Counties ABAWDs without exemptions who enroll in the Food Stamp Employment and Training Program (FSET) will not have time limits while participating in FSET.

### THREE-MONTH RULES

≥

The following rules apply to ABAWD time limits.

1. Montana has determined its 36 month period to be a fixed period starting 12/01/05 through 11/30/08.
2. The initial three months do not need to be consecutive.
3. The extended months must be consecutive, only apply in particular circumstances (FS 803-1), and can only be used once in any three year period.
4. Prorated months do not count as an ABAWD month.
5. Any month issued as an ABAWD month and not verified as not received will continue to be counted as an ABAWD month (e.g., an Electronic Benefit Transfer card is credited for a non-exempt participant, but is not used, would still count as an ABAWD month).
6. Any month of participation in which an individual is exempt from ABAWD provisions due to either a personal exemption or a waiver provision does not count toward the individual's three month participation limit.
7. Months in which an individual is coded 'DF', 'DS' or 'DQ' on the food stamp SEPA screen for any reason, are not counted as an ABAWD month for that individual.

Section: ABLE-BODIED ADULTS WITHOUT  
DEPENDENTS

Subject: Overview

- ≥
8. If a person becomes ABAWD exempt during an ABAWD month, the exemption takes effect the month following the month the exemption is reported. An exception is the month of the 50<sup>th</sup> birthday when the exemption begins the first of the month in which the participant turns 50.
  9. In a FSET County, individuals are exempt from time limits by attending FSET.
  10. In a FSET County, if an individual reapplies who has used all of his/her ABAWD months, the individual can regain eligibility by enrolling in the FSET Program. An individual who has exhausted ABAWD months is not considered eligible, however, until he/she has actually enrolled in FSET (803-1).
  11. When the ABAWD period has expired a timely notice of adverse action must be sent.

## PROCESSING

1. Evaluate each ABAWD applicant/participant for ABAWD exemptions. All ABAWD exemptions must be verified. Form HCS-545 can be used as a tool (not a required form) to determine possible exemptions. The HCS-545, in and of itself, is not considered verification. ABAWD status must also be evaluated at six month report and recertification.

**NOTE:** If an OPA Case Manager has reason to believe an applicant or new household member might have received food stamp benefits in another state, the Case Manager is required to call the other state to confirm the closure date and number of their ABAWD months used.

The only exception to this requirement is if the individual has a hard copy verification from the other state confirming the closure date and ABAWD months used. Document information received on CANO.

Montana will only count ABAWD months from another state if the months were counted or should have been counted based on the other state's regulations.

2. Document each member's ABAWD status on TEAMS case notes (CANO) at application, when status changes, at six month report and recertification. The TEAMS case note must state which exemption was claimed and verified. The case note must be titled

“ABAWD” and must indicate ABAWD policy has been explained to non-exempt individuals.

**Example:** ABAWD – Jim moved from Oregon where he used one ABAWD month. He now resides in a geographically exempt county and has no other ABAWD exemptions. ABAWD months will not count while he is living in Sanders County. ABAWD policy has been explained to Jim.

3. Alerts on both ETAL and PRAP screens should be set to assist in the tracking of ABAWD months. In addition, alerts must be set for significant birthdays within the recertification period (18 and 50).

yb



Department of Public Health  
and Human Services

FOOD STAMP PROGRAM

Section:

ABLE BODIED ADULTS WITHOUT  
DEPENDENTS

Subject:

Time Clock Exemptions

**Supersedes:** FS 801-1 (10/01/05)

**References:** 7 CFR 273.7; 7 CFR 273.24; FS Act section 6 (D)(2)

**GENERAL RULE-** Individuals **who do not meet a work registration exemption listed in FS 701-1** must be screened to determine if they are Able Bodied Adults Without Dependents (ABAWDS). ABAWDS are limited to three months of food stamp benefits in a three year period.

**Example:** Bill is a single adult without any children. He applies for food stamp benefits on April 6th and is receiving Unemployment Insurance (UI) through June 30th (verified by MISTICS). Bill has the work registration exemption of receiving UI. Therefore, he is not subject to the ABAWD three month time limit until July 1st. If Bill does not have another work registration exemption or an ABAWD time limit exemption (listed below) after June 30th, he will become subject to the three month time limit on July 1st. This is a known change at the time of application and must be acted on.

**EXEMPTIONS:** After determining that an individual is an ABAWD without a work registration exemption, determine whether the ABAWD meets any of the following ABAWD exemptions and case note the individual's status with the title "ABAWD". Any one of the following criteria exempt an ABAWD from the three month time limit.

- ≥AGE**
1. Individuals age 17 or younger. The month following the month of the 18th birthday is the first month counted toward the three month limit unless the individual meets another exemption.
  2. Individuals age 50 or older. The month of the 50th birthday counts as an exempt month.
- EMPLOYED**
3. Individuals who are employed, either for wages, self-employment enterprise, in-kind services or non-compensation/volunteer (employment related) or any combination of the above a monthly average of 20 hours per week. (This means a person who worked 80 hours in four weeks would have an average of 20 hours per week for the month.)

Section: ABLE-BODIED ADULTS WITHOUT  
DEPENDENTS

Subject: Time Clock Exemptions

This exemption must be verified via pay stubs, written statement from the employer, or self-employment records. TEAMS case notes must be entered to indicate specifically what verification was used.

**NOTE:** For verification of **volunteer hours**, do not use any form which ties the agency to the volunteer site (i.e., do not use department or state letterhead or a TEAMS notice). Due to Worker's Compensation concerns, there should be no document that could be considered an agreement between an employer and the department.

**NOTE:** For individuals hired under contract, view the contract to determine the anticipated number of weeks the individual will be working in the position. Then determine the number of hours per week to evaluate if this exemption exists.

**Example:** Terms of contract indicate a 12 month contract but only working 9 months out of the year at an average of 40 hours a week. The calculation should be as follows: 9 months x 40 hours per week x an average of 4.3 weeks per month divided by 52 weeks of contract equals = 29.77 hours a week. This person is exempt from ABAWD provisions but not from work registration requirements, the employment must be 30 or more hours a week.

**HOUSEHOLD  
MEMBER UNDER 18**

4. An individual is exempt from the ABAWD time limit if he or she is residing in a food stamp household where a member is under age 18, even if the household member who is under 18 is not himself eligible for food stamps, e.g. coded 'DS', 'DQ', not coded 'OU'.

**PREGNANT**

5. Pregnant individuals who have provided medical documentation of the estimated date of delivery are exempt.

**WIA/TAA/FSET**

6. Individuals participating in and complying with a Workforce Investment Act (WIA) Program, Trade Adjustment Assistance Act (TAA) program, or Food Stamp Employment and Training (FSET) Program 20 hours a week, average monthly.

**NOTE:** A combination of employment, volunteering or compliance with a work program can be used to meet an exemption. (e.g., 20 hours per week volunteering at the hospital the first two weeks of the month can be combined with 20 hours per week of WIA the last two

Section: ABLE-BODIED ADULTS WITHOUT  
DEPENDENTS

Subject: Time Clock Exemptions

weeks of the month to allow for the entire month to be  
exempt.)

**GEOGRAPHIC**

In addition to the above individual exemptions, ABAWD individuals living in areas that have been geographically waived from the ABAWD time limit criteria are not limited to receiving three months of food stamps in a 36 month period (FS 802-1).

**≥FSET**

All mandatory work registrants (coded 'MA' on WOLF) will be referred to the FSET Contractor in the FSET Counties (Missoula, Yellowstone, Lewis and Clark and Silver Bow).

Counties having an FSET Program will use form HCS-545 as a tool to screen ABAWDS for potential ABAWD time clock exemptions. Form HCS-545 is not a required form.

yb

Department of Public Health  
and Human Services

FOOD STAMP PROGRAM

Section:  
ABLE BODIED ADULTS WITHOUT  
DEPENDENTS

Subject:  
Geographic Waiver

**Supersedes:** FS 802-1 (04/01/07)

**References:** 7 CFR 273.7, 7 CFR 273.24, FS Act section 6 (D)(2)

GENERAL RULE - On the request of the Department of Public Health and Human Services (DPHHS), the Secretary of Agriculture may waive the Able Bodied Adults Without Dependents (ABAWD) provision for any group of individuals. The Secretary determines if the area meets established labor market criteria to be eligible for the waiver.

It will be the responsibility of DPHHS to annually evaluate the status of each county and reservation to determine areas that do not have a sufficient number of jobs to provide employment to non-exempt individuals. DPHHS will use this information to annually request ABAWD waivers. The areas to be waived from the provision will vary from year to year.

**►WAIVED  
COUNTIES**

The following counties have been granted waiver of the ABAWD provision October 1, 2007 through July 31, 2008.

<b>Big Horn</b>	<b>Glacier</b>	<b>Golden Valley</b>	<b>Lake</b>
<b>Liberty</b>	<b>Lincoln</b>	<b>Mineral</b>	<b>Musselshell</b>
<b>Petroleum</b>	<b>Pondera</b>	<b>Powder River</b>	<b>Prairie</b>
<b>Roosevelt</b>	<b>Rosebud</b>	<b>Sanders</b>	<b>Treasure</b>
<b>Wibaux</b>			

**Note:** Counties that lost the ABAWD Waiver effective October 1, 2007 are Deer Lodge, Fallon, Powell and Toole. Counties that gained an ABAWD Waiver effective October 1, 2007 are Pondera and Powder River. Counties that had the waiver renewed are Big Horn, Glacier, Golden Valley, Lake, Liberty, Lincoln, Mineral, Musselshell, Petroleum, Prairie, Roosevelt, Rosebud, Sanders, Treasure and Wibaux. The remaining counties were not waived in the previous waiver year and continue to be unwaived.

**RESERVATIONS**

Individuals residing on the following Indian Reservations have been granted a waiver of the ABAWD provision October 1, 2007 through July 31, 2008 **with the exception of that portion of the Flathead Reservation that is in Missoula County and that portion of Crow Agency that is in Yellowstone County.**

Section: ABLE-BODIED ADULTS WITHOUT  
DEPENDENTS

Subject: Geographic Waiver

**Blackfeet Agency  
Flathead Agency  
Fort Peck Agency  
Rocky Boy's Agency**

**Crow Agency  
Fort Belknap Agency  
Northern Cheyenne Agency**

**CASE NOTES**

**All** counties must enter a case note when any adult in a food stamp household is an ABAWD and if an ABAWD time-clock exemption is applicable. The case note will be titled 'ABAWD'.

yb

Department of Public Health  
and Human Services

FOOD STAMP PROGRAM

Section:  
ABLE BODIED ADULTS WITHOUT  
DEPENDENTS

Subject:  
Disqualification/ Regaining Eligibility

**Supersedes:** FS 803-1 (10/01/07)

**References:** 7 CFR 273.7, 7 CFR 273.24, 7 CFR.11, P.L. 104-193 Section 824, FS Act Section 6 (D)(2)

**GENERAL RULE**-- Individuals who have exhausted all Able Bodied Adults Without Dependent (ABAWD) months are coded '**DS**' on the SEPA screen (code 'IS' under DQN RSN as there is not a code designated specifically for ABAWD). TEAMS will count the prorated share of income and count all resources of the disqualified individual, but will not include that person in the household size when determining eligibility and allotment. Households must report changes of the disqualified individual according to the household's reporting requirements. ABAWDS **who have exhausted all initial ABAWD months** are disqualified from receiving food stamps until they meet one of the following:

1. A new ABAWD span begins (FS 800).
2. Qualifies for extended ABAWD months (see page 2 of this section).
3. Participates in the Food Stamp Employment and Training Program (FSET) (FS 701-2).
4. Meets an individual exemption (FS 801-1).
5. Lives in a geographically exempt county (FS 802-1).
6. Gains a work registration exemption (FS 700).

**ABAWD SPAN** Montana has determined the 36 month period to be a fixed period starting 12/01/05 and ending 11/30/08.

**Example:** An ABAWD is living in a county with a FSET Program and is not geographically exempt from ABAWD time limits. His case has been closed because all ABAWD months have been exhausted. He comes in on December 1, 2005 and reapplies. He is eligible since a new ABAWD span has begun. The individual is also referred to FSET and complies in December.

Section: ABLE-BODIED ADULTS WITHOUT  
DEPENDENTS

Subject: Disqualification/ Regaining Eligibility

The individual leaves the FSET program on January 16, 2006. On January 17, 2007 the FSET office notifies the Office of Public Assistance (OPA) that the ABAWD is no longer attending FSET. December is not counted as an ABAWD month because the individual was complying with FSET during the month of December. January is not counted as an ABAWD month because the ABAWD attended FSET for a partial month. February, March and April are counted as his three ABAWD months and the case is closed the end of April 2007.

## EXTENDED MONTHS

A person can be authorized for up to an additional three consecutive months of food stamps after receiving the initial three months once in a 36 month period. In order to receive this extension the individual must meet one of the following requirements.

1. Worked 80 or more hours in any 30 consecutive day period after exhausting the initial three months benefits;
2. Participated/complied with the FSET, Workforce Investment Act (WIA), or Trade Adjustment Assistance Act (TAA) program an average of 20 hours a week for 80 hours in a 30 day period after exhausting the initial three months benefits;

**NOTE:** FSET includes information in their closure notice that participation in FSET may have qualified the individual for extended benefits and that the OPA Case Manager will determine that eligibility. When an ABAWD requests extended months due to participation in FSET, the OPA Case Manager must contact the FSET Case Manager for verification. This request must be sent by e-mail for documentation.

3. Any combination of work, in-kind work, and/or participation in a work program for a total of 80 hours in a 30 day period after exhausting the initial three months benefits; or,
4. Worked in exchange for goods or services ("in kind" work) or performed unpaid (volunteer) work for more than 80 hours in a 30 day period after exhausting the initial three months benefits.

**NOTE:** The additional three consecutive months benefits apply to those individuals who met the above criteria, and are no longer fulfilling those work requirements.

Section: ABLE-BODIED ADULTS WITHOUT  
DEPENDENTS

Subject: Disqualification/ Regaining Eligibility

**NOTE:** An individual is not eligible for a three month extension if all eligibility requirements are not met. For example, an individual cannot receive extended ABAWD months if he/she is currently disqualified for a probation or parole violation.

**NOTE:** The individual does not have to be receiving food stamps at the time the employment or participation in the work program ends. The individual could have had a closed case or be coded 'OU' due to separate household status during the employment or participation in the work program.

**Example:** An individual resides in a county without an FSET Program and is not geographically exempt from ABAWD time limits. The case is closed May 31st due to ABAWD months expiring. The individual reapplies on July 6th and verifies he started working 30 hours a week on June 22nd. The OPA Case Manager certifies the case and prorates benefits from July 6th. July is a non-ABAWD month due to employment

On October 10th, the participant provides an employer statement verifying that his hours have been reduced to 15 hours per week effective October 5th. November is his first of the three consecutive extended ABAWD months because he had worked a total of 80 hours in a 30 day period.

On November 2nd, he verified hours will increase to an average of 30 per week on November 15th. November still counts as an extended ABAWD month due to prospecting to the best of our ability at the time of issuance. He now has a work registration exemption because he is working at least 30 hours. However, he is not eligible for any more extended months since they have to be consecutive.

On January 1st he verifies that his hours will decrease to 15 per week in February. His case closes January 31st due to already exhausting all initial ABAWD months and extended ABAWD months. He cannot receive additional



Section: ABLE-BODIED ADULTS WITHOUT  
DEPENDENTS

Subject: Disqualification/ Regaining Eligibility

extended food stamp ABAWD months as they must be consecutive (i.e., November, December and January).

**Example:** Tom is an ABAWD who exhausted his three initial ABAWD months. Tom lived in a FSET county and participated in FSET for two months after having used the three original months. Tom then moved to a county that is not geographically ABAWD exempt and does not have a FSET Program. He is eligible for extended ABAWD months as the FSET Case Manager verified that Tom had participated in FSET an average of 20 hours a week for more than 80 hours in a 30 consecutive day period.

## FSET

If an ABAWD applies in one of the four FSET counties listed in FS 701-2, he/she may regain eligibility by participating in the FSET Program. (See 'Expedite' page 4 of this section.) When an ABAWD individual, who has **not used** up his/her three initial ABAWD months, applies in one of the FSET counties, and is eligible for food stamps, do not withhold food stamps for verification of enrollment in FSET. The ABAWD individual will be referred to FSET and, as long as he/she complies with FSET, the ABAWD time clock will not increment (FS 700).

**NOTE:** If an ABAWD living in a FSET county chooses not to enroll in FSET and has no other exemptions, he/she will be limited to three months of benefits in a 36 month period.

## INDIVIDUAL AND GEOGRAPHIC EXEMPTIONS

If an ABAWD gains an individual exemption according to those listed in section FS 801-1 or moves to a geographically ABAWD exempt area as listed in section FS 802-1, he/she would regain eligibility as long as he/she continues to have the exemption.

**NOTE:** When an ABAWD chooses not to enroll in FSET and has no other exemption, he/she will be limited to three months of benefits in a 36 month period.

## WORK REGIS- TRATION EXEMPT

When an ABAWD gains a work registration exemption (FS 701-1), the ABAWD time limited provision does not apply. The exemption is effective in the month following the month it is reported and verified.

## OPEN CASES

When an individual gains an exemption after exhausting his/her ABAWD months and the remaining members are still open on the Food Stamp

Section: ABLE-BODIED ADULTS WITHOUT  
DEPENDENTS

Subject: Disqualification/ Regaining Eligibility

Program, he/she will be added according to the household's reporting requirements one of the following dates:

**1. If the ABAWD exemption is due to employment -**

The month after the individual reports and verifies that he is working 20 hours a week.

**2. If it is an ABAWD exemption for attending a work program (FSET, WIA or TAA) -**

The month after the individual reports and verifies enrollment.

**3. If it is any other ABAWD exemption -**

The month after the exemption is reported and verified.

**CLOSED CASES**

When an ABAWD gains an exemption after his/her initial and extended ABAWD period has expired and the case has been closed, he/she must reapply and verify the exemption.

**EXPEDITE**

An ABAWD with time clock limits who has exhausted all of his/her months is not eligible for food stamp benefits including expedited services.

**NOTE:**

In any one of the four FSET counties, ABAWD individuals who have exhausted their months must be allowed the opportunity to establish eligibility by participating in FSET. If the applicant agrees to comply with the FSET program at the time of the interview, he/she will be given a referral to FSET. In the event that an applicant cannot schedule an immediate intake appointment with FSET, he/she will be instructed by OPA to begin job search activities an average of 20 hours per week, keeping a log of employer contacts, until the enrollment date. Food stamp benefits **will not** be authorized until the FSET Case Manager verifies the applicant has complied by enrolling in the program; and, when appropriate, submitting job search verification to FSET. Upon verification, if otherwise eligible, food stamps will be authorized following expedited policy effective the date of application.

The date of discovery for entitlement to expedited service will be the date FSET verifies compliance and benefits will be paid back to the date of application. Benefits must be authorized the date of notification from FSET.

Section: ABLE-BODIED ADULTS WITHOUT  
DEPENDENTS

Subject: Disqualification/ Regaining Eligibility

**NOTE:** When a one-person ABAWD household, who has exhausted time limits, **is eligible for expedited services**, but states he/she does not intend to comply with FSET, the application must be denied. Use code 'ABC' on EXAD. In a case where there are other eligible household members, the application will be approved, but the ABAWD is ineligible (code 'DS' on SEPA).

**► SIX MONTH REPORTING** At the time of the interview OPA Case Managers must inform all ABAWDS of the ABAWD time limited provision and that the ABAWD households are only required to report when their household income exceeds the GMI or when their hours of work decrease below 20 hours a week. The OPA Case Manager will determine if the ABAWD has an individual exemption to the time limit. If the ABAWD has no exemptions, an alert will be set to close the case after the ABAWD has exhausted his/her ABAWD months. If the ABAWD household reports any other changes, the OPA Case Manager will act on the change. Refer to Six Month Reporting Requirements, FS 1501-3.

**Example:** Jane is an ABAWD and is part of a food stamp household living in a county that is not geographically exempt. There is not a child under 18 years of age in the food stamp household. Jane is working 20 hours a week and is exempt from the ABAWD time clock. The household applies on May 3rd. On June 13th Jane reports that her job ended June 10th. This report must be acted on because it appears the food stamp benefits will increase. Her wages are removed from the case for July and Jane's ABAWD months are July, August and September. She will be coded 'DS' on the SEPA screen for October.

**Example:** Bob applies for benefits May 3rd in a county that is geographically exempt from the ABAWD provision. Bob is an ABAWD, but is working 30 hours a week. On June 13th Bob reports that his job decreased to 15 hours per week beginning June 1st due to a reduction in work force. Income will be adjusted for July because the decrease in wages will result in an increase to benefits and Bob will continue to receive benefits since he is residing in an exempt county.

**Example:** Bill applies for benefits on April 5th. He is an ABAWD and resides in a county that does not have a FSET Program and is not geographically exempt. Bill has

Section: ABLE-BODIED ADULTS WITHOUT  
DEPENDENTS

Subject: Disqualification/ Regaining Eligibility

no ABAWD exemptions. His initial ABAWD months are May, June and July. The OPA Case Manager will set an alert for the first part of July to check for any new exemption. If he has no exemptions, the case must be closed July 31st.

**Example:** Janet is an ABAWD living in a county that is not geographically exempt. Janet has not used any ABAWD months and applies for benefits on March 1<sup>st</sup>. She enrolls in FSET in March. On April 15<sup>th</sup> the OPA Case Manager receives notification from FSET that Janet is no longer participating in FSET. The OPA Case Manager sends Janet Notice F035. Janet verifies within 10 days that she is working 20 hours a week at \$5.50 an hour. Janet will continue to receive an ABAWD exemption due to employment and the wages will be included in the benefits calculations even if it causes a decrease in benefits. Timely notice is required.

**NOTE:** Other information, e.g., new household member or employment data, received from FSET is not verified upon receipt.

**Example:** Nancy, who is an ABAWD with no exemptions, applies for food stamp benefits in Silver Bow County. Nancy does not enroll in the FSET program. The OPA Case Manager must set an alert to close the case at the end of the first three full months of benefits if Nancy does not have any other exemptions.

#### **NON-REPORTABLE CHANGES DURING REPORT PERIOD**

When a non-reportable change occurs and is not reported that causes an ABAWD to lose an exemption, the ABAWD months are re-calculated retrospectively. However, when re-calculating retrospectively, if the ABAWD exhausted his/her ABAWD months and continued to receive more than three months benefits, an overpayment is not established.

**Example:** Clint applied for benefits on April 3rd and he is not subject to ABAWD time limits due to a child under the age of 18 residing in the home. In May the child leaves the home, **but this is not reported**. In September the six month report is submitted. Clint's ABAWD months are June, July and August. Clint was not required to report the change, therefore, an overpayment does not exist for September.

Section: ABLE-BODIED ADULTS WITHOUT  
DEPENDENTS

Subject: Disqualification/ Regaining Eligibility



When a non-reportable change occurs and is reported, the change is acted on.

**Example:** Clint applied for benefits on April 3rd and he is not subject to ABAWD time limits due to a child under the age of 18 residing in the home. On May 3rd, the child leaves the home **and this is reported**. Clint's reporting a household member leaving the household is considered verified upon receipt; therefore, the OPA Case Manager will act on the reported change. Clint will be sent the courtesy Notice F035 and ABAWD months will begin counting in June if he has no other ABAWD exemptions.

**Example:** Ann is an ABAWD with no exemptions living in a county that is not geographically exempt and does not have FSET. Ann applies on July 1st as a single family household and an alert is set to close her case September 30th. On August 20th, Ann reports that she began a part time job working 20 hours per week on August 1st. The OPA Case Manager requests verification of wages. Upon receipt of verification, Ann is allowed the ABAWD exemption beginning September 1<sup>st</sup> and wages are used to calculate October benefits due to timely notice. Ann's ABAWD months are July and August.

## STATUS CHANGE

When a six month report is processed and it is determined that the client's ABAWD status changed, the OPA Case Manager will re-calculate the ABAWD months.

**Example:** Sue completed her recertification on July 15<sup>th</sup> verifying she is caring for a disabled individual and has an ABAWD exemption. Beginning August 1<sup>st</sup> Sue no longer was caring for the disabled individual. In October Sue began working 20 hours per week and this job continued through January. These changes were not reportable changes and Sue did not report them until her six month report. At her six month report review in January, it is determined that July is an ABAWD exempt month. August, September and October are ABAWD months. November, December and January are ABAWD exempt months due to regaining an exemption by working 20 hours a week. ABAWD

Section: ABLE-BODIED ADULTS WITHOUT  
DEPENDENTS

Subject: Disqualification/ Regaining Eligibility

status is determined forward from the six month review and Sue has exhausted her ABAWD months.

### **ADDING 'DS' INDIVIDUAL**

In a multiple member household when an ABAWD is coded 'DS' and later reports employment, this change is acted upon under the rules of adding a household member (FS 1501-5).

**Example:** Jim, Mary and Bill apply for benefits on April 3rd. Bill is an ABAWD who already used two ABAWD months prior to application. April is a partial month and not counted as an ABAWD month, May is an ABAWD month and Bill is coded 'DS' for June. At the six month review it is discovered that Bill began working 20 hours per week in June. The income did not put the household over the GMI. Bill is not retrospectively given the ABAWD exemption. He is coded 'IN' and his income is included prospectively at the six month review.



**Example:** Jim, Mary and Bill apply for benefits on April 3rd. Bill is an ABAWD who already used two ABAWD months prior to application. In June Bill is coded 'DS'. On July 1st Bill reports that he is working. The reported change is acted on and Bill and his income are added.

**NOTE:** When an ABAWD has been coded 'DS', the OPA Case Manager cannot just verify hours because the change is acted upon under the adding a household member rule.

### **BENEFITS RECEIVED IN ERROR**

If ABAWD months are counted for an individual and it is later discovered that benefits were received in error, the benefits are considered to have been received until the overpayment is paid back in full.

**NOTE:** The OPA Case Manager will inform the participant in the the notice that when benefits are repaid the ABAWD months will be restored. An alert will be set.

**Example:** Pat is an ABAWD who received benefits for May, June and July. These were his first three ABAWD months. It was later discovered Pat was not eligible because he was disqualified for an IPV. May, June and July are still considered as being Pat's first three ABAWD months and he is not eligible for benefits until the overpayment is paid in full or he meets an exemption.

yb

Department of Public Health  
and Human Services

Section:  
ISSUANCE

FOOD STAMP PROGRAM

Subject:  
Overview

**Supersedes:** FS 900 (10/01/02)

**References:** 7 CFR 274.12

≥ GENERAL RULE –Paper food stamp coupons have been replaced with Electronic Benefit Transfer (EBT). Food Stamp participants are issued a debit card for purchasing food products. The food stamp benefits are electronically transferred to an account linked to the debit card. Participants will use the card, along with a Personal Identification Number (PIN) to purchase food, using a Point-of-Sale (POS) device, or the paper voucher system at the check stand. There is no charge when using the EBT card.

**NOTE:** There will be a \$2.00 replacement fee when a replacement Montana Access EBT card is issued, regardless of the reason (see FS 903-1).

This section addresses program benefits or EBT, the negotiable instrument, participants will use to purchase USDA eligible food items. Occasionally, benefits must be replaced to participant households. This information explains conditions when benefits may be replaced via the EBT Montana Access Card.

≥ The FS 901-1 and FS 902-1 sections include reference information to assist OPA Case Managers with completing post benefit authorization activities. The sections are not intended as stand alone information and should be applied in conjunction with the TEAMS User guide. The manual's Glossary furnishes a more precise meaning of some of the common program terminology referenced throughout this text.

**NOTE:** All customer service (e.g., requesting a replacement Montana Access EBT card, selecting a Personal Identification Number (PIN), Personal Identifier and account balance inquiries) for the EBT system is being handled through the Interactive Voice Response (IVR) system. The phone number is 1-866-850-1556.

**NOTE:** Montana Access EBT cards should never be mailed to the participant in care of the County Office of Public Assistance.

PH

o O o

Department of Public Health  
and Human Services

Section:  
ISSUANCE

FOOD STAMP PROGRAM

Subject:  
Food Stamp Replacement Conditions

**Supersedes:** FS 901-1 (04/01/03)

► **References:** 7 CFR 274.6 (g)

GENERAL RULE--When a participating household requests a replacement of food stamp benefits via their Montana Access EBT card, the OPA Case Manager must evaluate the circumstances surrounding the request and determine whether or not a replacement is appropriate. The following condition(s) **must** exist before a replacement of benefits may be authorized.

**REPORTED  
AFTER  
RECEIPT**

Food stamp benefits may be replaced via the Montana Access EBT card if the participating household reports:

1. Food items purchased with the EBT card were destroyed resulting from a household misfortune or disaster.

**Example:** Sam receives food stamp benefits via his Montana Access EBT card on March 2, 2002. On March 20, 2002 Sam contacts his OPA Case Manager to report a fire has destroyed his home. His Montana Access EBT card was destroyed along with all food items in the home. The OPA Case Manager asks Sam what value he would place on the lost food items and verifies the misfortune with a reliable source. The OPA Case Manager replaces benefits **up to** the monthly benefit amount (e.g., Sam states the value of the food lost is \$100.00; he is eligible for \$130.00 in benefits each month; the OPA Case Manager would replace the **full** \$100.00).

The OPA Case Manager issues the replacement on TEAMS using the replacement code of "**RR**".

The balance remaining in Sam's Montana Access EBT account would **not** play in determining the amount to be replaced. The OPA Case Manager replaces the **full** amount of lost food items **up to** his monthly benefit amount.



Sam must contact Customer Service (IVR), at 1-866-850-1556, to request a replacement Montana Access EBT card.

2. Participant phones Customer Service and reports their Montana Access EBT card as lost or stolen. The Customer Service desk fails to cancel the card, subsequently; someone other than the participant uses the benefits.

**Example:** Sam phones Customer Service and reports his Montana Access EBT card as lost. Customer Service should then status or cancel the card, issuing a replacement card at the same time. Sam does not receive his replacement card, phones Customer Service once more. When checking to see when the card was mailed it is discovered the first card was never canceled. Benefits were used after the date and time of Sam's call. Sam states he did not have the card, nor did he use the benefits during the time he first called to report the card as lost/stolen and now.

Supplemental benefits would be issued through TEAMS by issuing an underpayment, rounding up to the nearest dollar amount lost.

The Food Stamp Issuance Program Officer would notify the OPA Case Manager if this should occur.

PH

o O o

Department of Public Health  
and Human Services

Section:  
ISSUANCE

FOOD STAMP PROGRAM

Subject:  
Food Stamp Replacement Codes-EBT

**Supersedes:** FS901-2 (08/01/01)

**References:** 7 CFR 274.6

**GENERAL RULE--** If a full replacement of food stamp benefits has been found to be appropriate, identify the reasons for the replacement on the FSRE screen using the appropriate code.

**NOTE:** Do not change case information which will affect the original benefit amount BEFORE authorizing a food stamp replacement. For reconciliation and reporting purposes, the replacement amount must always equal the original benefit amount which was issued and is now being replaced. Case information corrections or updates which result in an increase or decrease of the original benefit amount should be saved and input the day after the replacement is authorized so the replacement amount will equal the original benefit.

**REPLACEMENT  
CODES FOR FULL  
OR PARTIAL  
AMOUNT**

To replace a full or partial amount of EBT benefits, use the following code:

1. 'RR'-- Food destroyed as a result of a household misfortune or disaster.

The 'RR' code authorizes a replacement in TEAMS for food destroyed as a result of a household disaster, such as fire, flood, loss of power to refrigeration appliances, etc. The misfortune may be unique to a household or may be a result of a disaster occurring within the area.

The 'RR' replacement amount may be equal to the full or partial amount but may not exceed the amount of the original issuance value.

**NOTE:** Disaster criteria such as disaster allotment amounts and subsequent replacement information for victim households residing in a declared disaster area are found in the state of Montana Disaster Food Stamp Program Handbook. These requirements are only applicable in the event of an official declared disaster.

Section: ISSUANCE

Subject: Food Stamp Replacement Codes-  
EBT

Eligibility, benefit amount criteria or replacements relating to all other disaster conditions or emergency situations must be authorized and issued according to procedures and requirements found in this manual. (FS 906-1, FS 906-2, FS 906-32)

PH

o O o

Department of Public Health  
and Human Services

Section:  
ISSUANCE

FOOD STAMP PROGRAM

Subject:  
Montana Access Card Returned/ Re-  
mailed

**Supersedes:** FS 902-1 (04/01/04)

**References:** 7 CFR 274.12 (g)

**GENERAL RULE** -- A participating household may request a replacement Montana Access Electronic Benefits Transfer (EBT) card for a \$2.00 replacement fee. To replace a Montana Access EBT card the participant must call Customer Service at 1-866-850-1556, and report the card as lost, stolen or damaged.

**NOTE:** Once a participant has phoned Customer Service to report their Montana Access EBT card as lost, stolen or damaged, the card will be deactivated. At that time, the Montana Access EBT card is no longer usable.

Montana Access EBT cards are mailed from Northrop Grumman in Helena. Undeliverable Montana Access EBT cards are returned to Central Office and re-mailed to the participant if there is a corrected address on TEAMS, notification is received from Customer Service or the Post Office regarding a new address. If no forwarding address is known, the cards will be held at Central Office until contact is made by the OPA Case Manager or Customer Service advising of the new address. Cards will be held up to 365 days, or when all benefits have been expunged, whichever comes later. When a card is destroyed a case note will be entered on TEAMS and Montana Access by Central Office.

#### **ADDRESS KNOWN:**

Each time a Montana Access EBT card is returned to Central Office the case is reviewed on TEAMS to compare the address. If a change of address has been made on TEAMS (or notification has been received from Customer Service or the Post Office), the card will be forwarded to that address. If the case is currently open an alert will be set stating the card was re-mailed, if the case is closed a case note will be completed.

#### **ADDRESS UNKNOWN:**

If there is no change of address on TEAMS and notification from Customer Service or the Post Office has not been received, the Montana Access EBT card will be held at Central Office. Central Office will set an alert for open cases and a case note will be completed on TEAMS and

Section: ISSUANCE

Subject: Montana Access Card Returned/  
Re-mailed

Montana Access for all open and closed cases regarding the status of the card.

**NOTE:** OPA Case Managers should review case notes when authorizing food stamp benefits to determine if the participant's card is being held at Central Office.

Contact the FS Issuance Program Officer, Penny Hunsaker or the back-up person, Yvette Barnier, to have participant's cards re-mailed.

Food stamp benefits will remain in the Montana Access EBT account for 365 days before being expunged from the card (905-1).

**NOTE:** If there is an outstanding food stamp overpayment, any balance remaining on the Montana Access EBT account, up to the balance of the overpayment claim, will be applied toward the claim.

PH

o O o

Department of Public Health  
and Human Services

Section:  
ISSUANCE

FOOD STAMP PROGRAM

Subject:  
Montana Access Card (EBT)  
Replacements

**Supersedes:** FAIM/FS 903-1 (09/01/98)

**References:** 7 CFR 274.12 (g)(5)

≥ **GENERAL RULE**--The State agency may impose a replacement fee by reducing the monthly allotment of the household receiving a Montana Access EBT replacement card; however, the fee may not exceed the cost to replace the card. Montana has determined the cost of a replacement Montana Access EBT card to be \$2.00. This replacement fee will be charged for all replacement cards issued beginning January 1, 2003. The participants first card will be created and mailed for free upon approval of their application. Any replacements of Montana Access EBT cards will be charged the \$2.00 replacement fee, **regardless** of the circumstances.

The Montana Access EBT card is used to access food stamp, TANF Cash assistance and child support payments. When a participant requests a replacement card the EBT system will check to see what benefits/payments are currently available in the Montana Access account(s). If the participant is receiving food stamp only benefits the EBT system will deduct the \$2.00 fee from the food stamp allotment. If the participant is receiving food stamps, TANF Cash assistance and/or child support payments, the system will first attempt to deduct the \$2.00 fee from the food stamp allotment. If there is not a sufficient amount in the food stamp EBT account and the participant is receiving TANF Cash or child support payments, the system will deduct the \$2.00 fee from TANF Cash first or child support second. If there is not a sufficient amount of funds in any account, the EBT system will issue the card and deduct the funds at the next benefit issuance.

Because participants are now being charged a \$2.00 card replacement fee, it is important OPA Case Managers advise them of this policy. Participants should also be reminded at redetermination to keep their card in a safe place and never throw it away, **even if their case should close**. There are no exceptions for replacement card fees.

Undeliverable Montana Access EBT cards are currently being returned to Central Office where they are re-mailed to the participant if there is notification of a correct address on TEAMS, e-mail from the OPA Case Manager or notification from the participant through the Customer Service Help Desk.

Section: ISSUANCE

Subject: Montana Access Card (EBT)  
Replacements

Montana Access EBT cards are not deliverable when:

1. The participant fails to give a complete address;
2. The participant moves prior to receiving their Montana Access EBT card;
3. The OPA Case Manager transposes a number in the address;
4. The OPA Case Manager fails to make a change to an existing address on a case that was previously open to benefits; or,
5. The participant is living with a friend or relative and they have not notified the Postal Service that they are now residing at that address.

**NOTE:** It is very important to enter the current correct address when registering an application. During the interview the OPA Case Manager should discuss the applicant's mailing address to ensure the ADDR screen correctly reflects the current mailing address.

PH

o O o

Department of Public Health  
and Human Services

Section:  
ISSUANCE

FOOD STAMP PROGRAM

Subject:  
Montana Access (EBT) Expungements

**Supersedes:** FAIM/FS 905-1 09/01/98

**References:** 7 CFR 274.12(g)

GENERAL RULE--Food stamp benefits are expunged when 365 days have passed from the last time the participant completed a food stamp transaction. Balance inquiries do not count as a financial transaction. Benefits are expunged on a "first in, first out" basis.

To avoid expungement, the participant must access their benefits by making a purchase for **any** amount. The 365 day time frame starts over with every financial transaction in the food stamp account.

**Example:** Coreen received food stamp benefits for June 2002. She spent some of her June benefits, but the last time she used her card was on June 20, 2002. Benefits were then issued for July and August 2002, but were never accessed.

If Coreen does not use her card to access food stamp benefits by June 20, 2003, her remaining June benefits will be expunged. At the end of July 2003, the July benefits would be expunged, and so on.

## EXPUNGEMENT ALERTS

TEAMS alerts are generated monthly when participants have not assessed their EBT food stamp benefits for at least 30 days. The OPA Case Manager receives these alerts monthly, for as long as the case is open, as long as benefits are not accessed, or until benefits are expunged.

The OPA Case Manager must review the case to ensure the participant:

1. Is aware they have benefits remaining in their Montana Access EBT food stamp account; and,
2. Understands how to access their benefits with the Montana Access EBT card.

When benefits are expunged and the case is currently open, the OPA Case Manager receives an alert that states the benefits in the account were expunged. If the food stamp case is authorized for the next month's benefits, it is deauthorized. In that instance, TEAMS also creates the



Section: ISSUANCE

Subject: Montana Access (EBT)  
Expungements

standard alert indicating the case was deauthorized. There will be no expungement alert when a case is closed.

**EXPUNGEMENT  
NOTICES**

Notice F812 "FS Expungement Warning Letter" is automatically generated in TEAMS on the first working day of the month in which expungement criteria is met. The notice explains the Montana Access EBT food stamp account has not been accessed in 365 days and any amount of the available balance remaining in the account must be accessed by the 20th of the month. If benefits are not accessed, they will be expunged on the first working day of the next month.

**RECOUPMENT  
OF EXPUNGED  
BENEFITS**

Central Office receives a report of cases that received the expungement warning notice, and identifies if there are outstanding overpayment claims on TEAMS. If the participant does not access benefits by the deadline of the 20th, Central Office will apply the benefits towards the claims before they are expunged.

PH

o O o

Department of Public Health  
and Human Services

Section:  
CASELOAD MANAGEMENT

FOOD STAMP PROGRAM

Subject:  
Overview

**Supersedes:** FMFS 1500 (09/01/98)

**References:** N/A

**≥ CASELOAD  
MANAGEMENT**

OPA Case Managers accurately determine eligibility and benefit amount for households applying for or receiving food stamp benefits. Managing a food stamp case includes:

1. knowledge and correct application of food stamp policy;
2. conducting initial certification and redetermination interviews to accurately determine eligibility and benefit amount;
3. informing the household in writing of eligibility and benefit changes using the appropriate notices;
4. composing clear and concise notices;
5. acting on changes according to the household's change reporting requirements within 10 days of the discovered/reported change or information;
6. establishing overpayment claims or restoring underissued benefits;
7. pursuing intentional program violations when appropriate; and,
8. documenting in case notes in sufficient detail to determine the reasonableness and accuracy of the eligibility determination and benefit amount.

TP

o O o

Department of Public Health  
and Human Services

Section:  
CASE MANAGEMENT

FOOD STAMP PROGRAM

Subject:  
≥Reporting Requirements

**Supersedes:** FS 1501-1 (03/01/02)

**References:** 7 CFR 273.10; 7 CFR 273.12; and 7 CFR 273.13

GENERAL RULE -- A household participating in the Food Stamp Program is required to report changes according to its reporting requirements. The OPA Case Manager determines a household to be either a six month reporting or a change reporting household depending on the household's circumstances.

#### **METHODS OF REPORTING CHANGES**

Household members and authorized representatives may report changes to the Office of Public Assistance (OPA):

1. by completing and returning the Change Report form (HCS-260);

**NOTE:** Households are not required to report changes on a Change Report form and cannot be required to come to the OPA to sign one.

2. by calling and talking to an OPA staff member directly or leaving a voice mail message;
3. by writing, e-mail or fax; and,
4. directly in person.

#### **≥DETERMINING A HOUSEHOLD'S REPORTING REQUIREMENTS**

The following households are subject to change reporting requirements:

1. Migrant/seasonal farm worker households; and,
2. Households in which all members are elderly and/or disabled and do not have countable earned income.

All other households are subject to six month reporting requirements.

TP

o O o

Department of Public Health  
and Human Services

Section:  
CASELOAD MANAGEMENT

FOOD STAMP PROGRAM

Subject:  
≥Mass Change

**Supersedes:** FS 1501-2 (10/01/02)

**References:** 7 CFR 273.12(e)

GENERAL RULE -- Mass changes are initiated by the state or federal government and generally affect the entire caseload or a significant portion of the caseload.

### MASS CHANGES

Mass changes are effective the same date for all households. A notice is not required for mass change situations listed in 1 - 5 below; however, it is a best practice to send a notice to the household informing them of the benefit change.

Adequate notice is required to be sent to the household listed in 6 - 8 below (FS 1503-1).

Mass changes include but are not limited to the following:

1. Adjustments to income eligibility standards (Food Stamp Program GMI or NMI limits);
2. Adjustments in the maximum food stamp allotment (Thrifty Food Plan);
3. Adjustments in the standard deduction;
4. Adjustments in the shelter or dependent care deduction;
- ≥ 5. Annual and seasonal adjustments to state utility standards;
6. Periodic cost-of-living adjustments to Retirement, Survivors, and Disability Insurance (RSDI), Supplemental Security Income (SSI) and other federal benefits;
7. Periodic cost-of-living adjustments to TANF Cash, Tribal TANF, or General Assistance (GA) payments; and,
8. Other changes in the eligibility and benefit criteria based on legislative or regulatory changes.

TP

o O o

Department of Public Health  
and Human Services

Section:  
CASE MANAGEMENT

FOOD STAMP PROGRAM

Subject:  
Six Month Reporting Requirements

**Supersedes:** FS 1501-3 (10/01/07)

**References:** 7 CFR 273.10, 7 CFR 273.12, 7 CFR 273.13

GENERAL RULE -- Six month reporting requires households to report changes in the amount of their actual gross monthly income exceeding 130% of the poverty level (the gross monthly income standard) for their household size. Actual income means earned and unearned income is not factored, averaged, etc. When a household member is identified as an Able Bodied Adult Without Dependents (ABAWD) and the household member's eligibility depends on working 20 hours weekly, the household must report if the ABAWD's hours decrease below 20 hours weekly.

The household is required to report by the 10th of the following month when its actual income exceeds the gross month income standard for the household size and/or ABAWD's hours decrease below 20 hours weekly.

**NOTE:** Ineligible or disqualified household members are not used to determine the household size.

Six month reporting also requires households to complete a six month interim report.

**EXCEPTION:** Six month reporting homeless households are certified for six months. As long as the household continues to be homeless, it should not receive a Six Month Report form.

#### **SIX MONTH REPORTING HOUSEHOLDS**

Food stamp households are subject to six month reporting requirements except:

1. Migrant/seasonal farm worker households; and,
2. Households in which all members are elderly or disabled and do not have countable earned income.

#### **SIX MONTH REPORT DATES AT APPLICATION/ RECERTIFICATION**

Eligibility is determined for most six month reporting households for a 12 month recertification period at application and recertification.

**EXCEPTION:** Six month reporting homeless households are certified for six months.

The first Six Month Report is due six months from the initial month that the application or recertification is approved. The six month report date is six months from the initial month the application or recertification is approved. Enter a 'Y' in the 'Six Mo Report' field; enter the sixth month in the 'Six Mo Date' field; and enter the recertification date in the 'Cert Through' field on EXAD.

**Example:** A household applies for food stamp benefits on October 30, 2007. The application is approved on November 23, 2007. October benefit prorates to \$0.00, and the household is eligible for \$125 food stamp benefits for November.

October is the initial month the application is approved even though the household's benefit amount prorates to \$0.00. March 2008 is the six month report date; the sixth month from the initial month the application is approved.

Enter a 'Y' in the 'Six Mo Report' field; enter 0308 in the 'Six Mo Date' field; and enter 0908 in the 'Cert Through' field on EXAD.

The automatic system generated notice, 6 MR REQUIREMENTS, F011, is sent to the household.

#### **SIX MONTH REPORT DATE FOR A HOMELESS HOUSEHOLD**

Eligibility is determined for six month reporting homeless households (FS 0-4) for a six month recertification period. Enter a 'Y' in the 'Six Mo Report' field; enter the sixth month from the initial month the application or recertification is approved as the recertification date in the 'Cert Through' field; enter the 12th month in the 'Six Mo Date' field on EXAD. The OPA Case Manager must delete the automatic system generated notice F011 and send the household notice F013, 6MR REQUIREMENTS-HOMELESS HH.

**Example:** A homeless household applies in April 2008 and is determined eligible for food stamp benefits.

Enter a 'Y' in the 'Six Mo Report' field; enter 0309 in the 'Six Mo Date' field; and enter 0908 in the 'Cert Through' field on EXAD.

The OPA Case Manager must delete the automatic system generated notice F011 and send the household notice F013.

If the household is no longer homeless at the six month recertification, the household is recertified for a 12 month period. The first Six Month Report is due the sixth month

after the initial month the recertification is approved. As long as the household continues to be homeless, it should not receive a Six Month Report form.

#### **HOUSEHOLD WITH ELDERLY OR DISABLED MEMBER**

A household with an elderly or disabled household member does not have to pass the gross monthly income (GMI) test but does have to pass the net monthly income (NMI) test. The household is required to report when its actual income exceeds the GMI for its household size, so the OPA Case Manager can determine if the household passes the NMI test and is still eligible to receive benefits. If the household fails the NMI test, the case is closed with timely notice.

The OPA Case Manager must send a six month reporting household with an elderly/disabled household member who is **not** over the GMI at application/recertification and is not homeless the notice F011, 6MR REQUIREMENTS.

**Example:** A six month reporting household with a disabled household is under the GMI at application and determined eligible for benefits. The OPA Case Manager sends the approval notice and F011 notice to the household.

A member of the household reports working 10 hours a week at \$6 an hour and is paid weekly. The household's income now **exceeds** the GMI for its household size. Even though the household does not have to pass a GMI test, it does have to pass the NMI test. If the household passes the NMI test with the newly reported income and is eligible for a benefit amount, the case remains open. If the household does not pass the NMI test and is not eligible for a benefit amount, the case is closed with timely notice.

Six month reporting households who exceed the GMI at application/recertification or who exceed the GMI when changing to six month reporting **and are** categorically eligible, **or** the households with an elderly or disabled member are eligible for a benefit amount, the OPA Case Manager must delete the F011 system generated notice and must send the household the 6 MR OVER GMI AT APP/RECERT notice, F010. This notice informs the household the month it will receive the Six Month Report form, and the date the Six Month Report form is due.

**Example:** A disabled man and wife apply for benefits July 1st. He receives \$900 RSDI monthly and his wife earns \$700 monthly. The household's total allowable deductions are

\$947, and the household is eligible for a benefit amount of \$60.

Enter a 'Y' in the 'Six Mo Report' field; enter 1207 in the 'Six Mo Date' field; and enter 0608 in the 'Cert Through' field on EXAD.

The household's gross income exceeds 130% of poverty for its household size at application, has a disabled household member, and is eligible for a benefit amount. The OPA Case Manager must delete the F011 system generated notice and must send the F010 notice to the household.

This household's reporting requirement is to complete the Six Month Report.

#### **SIX MONTH REPORTING REQUIREMENTS NOTICES**

A six month reporting requirement notice must be sent from TEAMS to the household:

1. At the time the application is approved;
2. At the time the recertification is approved;
3. At the time the six month report form is processed, and benefits are approved;
4. When there is a change in the household's gross monthly income standard; and,
5. When switching from change to six month reporting requirements.

The notice informs the household of its reporting requirements, its gross monthly income standard, its household size, the month it will receive the Six Month Report form, and the date the Six Month Report form is due.

The F011 is an automatic system generated notice when the 'Y' is entered in the 'Six Mo Report' field on EXAD at application and when a household changes from change to six month reporting requirements. The F011 notice is an OPA Case Manager generated notice at the six month report period and recertification.

**NOTE:** At application or recertification, if an applying household's income exceeds 130% of the poverty level for its household size **and** is categorically eligible, **or** a household with an elderly or disabled household member is eligible for a benefit amount, the F011 system generated notice must be deleted



by the OPA Case Manager. The OPA Case Manager must send the household the F010 notice informing the household the month it will receive the Six Month Report form, and the date the Six Month Report form is due.

# **CHANGING FROM CHANGE TO SIX MONTH REPORTING REQUIREMENTS**

A household changes from change to six month reporting requirements when:

1. Countable earned income is included in the monthly budget computation. The month the earned income is included in the monthly budget is month one of the six month reporting period.
2. A new member, who is not elderly or disabled, is added to the household. The month the new member is added to the household is month one of the six month reporting period.

The notice F011 must be sent to the household when switching from change to six month reporting requirements. The notice informs the household of its reporting requirements, its gross monthly income standard, its household size, the month it will receive the Six Month Report form, and the date the Six Month Report form is due. The F011 is a system-generated notice when switching from change to six month reporting requirements when the 'Y' is entered in the 'Six Mo Report' field on EXAD. In addition, the F014, 6MR-SHORTEN CERT, notice informing the household that its certification period is shortened must be sent to the household.

**NOTE:** When an ongoing household switches from change to six month reporting requirements and the household's income exceeds 130% of the poverty level for its household size **and** is categorically eligible, **or** the household with an elderly or disabled member is eligible for a benefit amount, the OPA Case Manager must delete the F011 system generated notice and must send the household the F010 notice informing the household, the month it will receive the Six Month Report form, and the date the Six Month Report form is due.

This household's reporting requirement is to complete the Six Month Report.

## **CHANGE TO SIX**

When a household becomes a six month reporting household and already

**MONTH REPORTING REQUIREMENTS RECERTIFICATION IS WITHIN SIX MONTHS**

has a scheduled recertification date within the first six months, the recertification is held as scheduled. The first Six Month Report is due six months from the initial month the recertification is approved.

**Example:** A household whose household members are all elderly and/or disabled reports a new source of countable earned income on April 16, 2008 and provides verification on April 26, 2008. The household's recertification date is July 2008.

Timely notice of the decrease cannot be given to the household for May 2008 benefit month. Benefits are authorized by TEAMS cutoff at the April benefit amount. The earned income is countable in the household's budget for June 2008 benefit month. This household is a six month reporting household beginning June 2008.

Since the already scheduled recertification is within six months, the household completes its scheduled recertification in July 2008. The first Six Month Report is due January 2009, six months from the initial month the recertification is approved.

Enter a 'Y' in the 'Six Mo Report' field; enter 0109 in the 'Six Mo Date' field; and 0708 remains in the 'Cert Through' field on EXAD.

The system-generated notice F011 is sent to the household.

If the household's gross monthly income now exceeds 130% of poverty of its household size, the OPA Case Manager must delete the F011 system generated notice and must send the F010 notice to the household. This household's reporting requirement is to complete the Six Month Report.

**CHANGE TO SIX MONTH REPORTING REQUIREMENTS RECERTIFICATION IS MORE THAN SIX MONTHS AWAY**

When a household becomes a six month reporting household and the already scheduled recertification date is more than six months away, the OPA Case Manager must change the recertification date (shorten recertification period) to month six in the 'Cert Through' field on EXAD.

The first Six Month Report is due six months from the initial month the recertification is approved and is entered by the OPA Case Manager in the 'Six Mo Date' field on EXAD.

**Example:** A disabled household reports earned income on September 5, 2007 and provides verification on September 13, 2007. The household's recertification date is June 2009.

The household switches reporting requirements for October 2007 benefit month. Since the already scheduled recertification is more than six months away, the OPA Case Manager changes the recertification date (shortens recertification period) to March 2008. The first Six Month Report is due September 2008, six months from the initial month the recertification is approved.

Enter a 'Y' in the 'Six Mo Report' field; enter 0908 in the 'Six Mo Date' field; and enter 0308 in the 'Cert Through' field on EXAD.

The F011 system generated notice is sent to the household, and the F014 notice informing the household of its shortened certification period.

#### **SWITCHING FROM SIX MONTH TO CHANGE REPORTING REQUIREMENTS**

If a household's circumstances change and the household will switch from six month to change reporting, the household continues to be subject to six month reporting requirements until the end of month six or recertification whichever comes first.

**Example:** Sam lives alone and receives SSI. He reports he lost his job on November 15th and verifies the job loss on November 25th. His Six Month Report is due in March. The household remains a six month reporting household through month six, March, and he must complete the Six Month Report form. The household becomes a change reporting household effective April 1st.

The OPA Case Manager sends the household notice, FS CHANGE REPORTING REQUIREMENTS, F012, when the Six Month Report is completed and processed.

#### **ACTING ON REPORTED/ DISCOVERED CHANGES**

The household is required to report by the 10th of the following month when its actual income exceeds the gross monthly income standard for its household size and/or ABAWD's hours decrease below 20 hours weekly.

**Example:** A household's actual income exceeds the GMI for its household size on October 2nd. The household is required to report it no later than November 10th. If the household reports the change by November 10th, the OPA Case Manager closes the case for December and provides the household with timely notice of closure. If the household does not report the change by November 10th,

there is a possible overpayment for December if the household exceeds the 130% of poverty for its household size, and the household cannot be provided timely notice of closure (1504-1).

- ▶ If changes are reported/discovered during the six month reporting period, the OPA Case Manager must act on reported/discovered changes within 10 days of the change being reported/discovered.
- ▶ Reported/discovered information may come from sources such as the household, anonymous calls, letters, WoRC Case Managers, R&R Agencies, SEARCHS, MISTICS, State Fund, motor vehicles, etc. Households must be given the opportunity to verify or dispute the reported or discovered information within 10 days of the OPA Case Manager sending the household a request for information/verification notice.
- ▶ **ACTING ON CHANGES CAUSING AN INCREASE**

Benefits increase the month after a reported/discovered change when verification of the change is received within 10 days from the TEAMS request for verification notice being sent. If the necessary information/verification is not received within the 10-day TEAMS request for information notice, benefits are increased the month after the receipt of the verification.

When a reported/discovered change results in an increased benefit but does not include the information/verification, the increase cannot be made until the necessary information is received or the change is verified. The OPA Case Manager must send a request for information/verification TEAMS notice requesting the household provide the necessary information/verification of the change within 10 days of the notice.

**NOTE:** When the 10th day of the request period falls on a weekend or holiday, the household has through the next business day to provide the information/verification.

If the requested information/verification is not received prior to TEAMS cutoff (fourth working day from the last calendar day of the month), the OPA Case Manager must authorize benefits by TEAMS cutoff at the benefit amount previously issued.

If the requested verification is not received within the 10-day request period, the previously verified amount of the reported change and the allotment amount stay the same. An alert is set to request the verification again at the six month report period or recertification whichever is first.

If the information/verification is received in the administrative month (month prior to the benefit month) after TEAMS cutoff or within the 10-day

request for information when the 10-day request period extends into the next benefit month, the OPA Case Manager must issue a supplement to the household no later than the 10th day of the benefit month.

**Example 1:** A household reports on March 24th rent increased from \$250 to \$300. April benefits are authorized by TEAMS cutoff date using \$250 rent. The OPA Case Manager sends a TEAMS notice requesting the household provide verification of the rent increase within 10 days.

If the verification is provided within the 10-day request for verification period, the OPA Case Manager enters the new rent amount for April and May, and issues a supplement for April benefits.

If the household does not provide the verification, the rent expense remains at \$250, and the OPA Case Manager sets an alert and requests the verification again at the six month report period or recertification whichever is first.

If the verification is provided after the 10-day request for information period, April benefits are not supplemented. Benefits increase the month after the receipt of verification.

**Example 2:** A household reports on May 30th decreased earnings which results in increased benefits. The OPA Case Manager sends a TEAMS notice requesting the household provide verification of the decreased income within 10 days.

If the verification is provided within the 10-day request for verification period, the OPA Case Manager enters the new prospectively budgeted income amount for June and July, and issues a supplement for June benefits.

If the household does not provide the verification, the previously prospectively budgeted income is used, and the OPA Case Manager sets an alert and requests the verification again at the six month report period or recertification whichever is first.

If the verification is provided after the 10-day request for information period, June benefits are not supplemented. Benefits increase the month after the receipt of verification.

When a reported/discovered change includes verification, the OPA Case Manager redetermines eligibility and benefit amount within 10 days of

receiving the reported/discovered change. If acting on the increased benefit cannot be made prior to TEAMS cutoff, the benefit is authorized by TEAMS cutoff at the same amount as the previous month, and a supplement benefit is issued no later than the 10th day of the benefit month.

**► ACTING ON  
CHANGES  
CAUSING  
A DECREASE**

When a reported/discovered change results in decreased benefit but does not include the verification, the decrease cannot be made until the change is verified. The OPA Case Manager must send the household a 10-day request for information/verification TEAMS notice to verify the change. Benefits are authorized by TEAMS cutoff at the benefit amount previously issued if verification is not received prior to TEAMS cutoff or the 10-day request for information extends into the next benefit month.

If the requested verification is received within the 10-day request period **AND** timely notice can be provided to the household, the household's benefit is decreased accordingly.

If the requested verification is not received in time to provide timely notice of adverse action or the 10-day request for information period extends into the next benefit month, the household's benefit is authorized by TEAMS cutoff at the same benefit amount as the previous month. The OPA Case Manager sets an alert to decrease benefits effective the following month, and timely notice of decreased benefits must be sent to the household.

If the requested verification is not received such as a decreased expense, the expense is removed and timely notice of decrease is provided to the household.

**Example 1:** The household reports decreased rent on January 22nd. The OPA Case Manager sends a request for verification notice requesting the household provide verification of the decreased rent within 10 days of sending the notice. The household does not provide the requested verification. February benefit amount is authorized at the January amount since the household cannot be given timely notice of decrease. The rent expense is removed for March benefit month, and the household is sent timely notice of decrease. The OPA Case Manager sets an alert and requests the verification again at the six month report period or recertification whichever is first.

If the verification is received after the 10 day request for information period, the expenses is added the month after receipt of the verification.

**Example 2:** A household reports on May 30th increased earnings. The OPA Case Manager sends a TEAMS notice requesting the household provide verification of the increased income within 10 days.

If the verification is provided within the 10-day request for verification period, the OPA Case Manager enters the new prospectively budgeted income amount for July and sends the household timely notice of adverse action.

If the verification is not provided within the 10-day request for verification period, the OPA Case Manager closes the case for July and sends the household timely notice of adverse action.

If the verification is provided before the effective date of closure (June 30th), the case is reverted to open. If the verification is provided after June 30th, the household must reapply for benefits.

**Example 3:** The household applies for benefits June 15th. John is a school bus driver during the school year. He reports on the application and at the interview that he plans on driving the school bus when school starts in late August.

Food stamp benefits are approved using either actual income received in June (if he already received the pay) or anticipated income (not a full month's pay). An alert must be set in August to verify the income from driving the school bus. Households are not required to report future changes but since this change was reported at application, it must be acted on.

If the income is verified within 10 days of the TEAMS notice, the income is anticipated for September since the household will not receive a full month's pay. Timely notice must be given to the household. The income must be prospectively budgeted for October because a full month's pay is expected.

If the income is not verified within 10 days of the TEAMS notice, the case is closed for September and timely notice must be given to the household. If the verification is provided before the effective date of closure (August 31st), the case is reverted to open. If the verification is provided after August 31st, the household must reapply for benefits.

**► ACTING ON  
CHANGES  
UNKNOWN IF  
CAUSES  
INCREASE/  
DECREASE**

When it is unknown if a reported/discovered change results in increased or decreased benefits, the OPA Case Manager must send a request for information/verification TEAMS notice requesting the household provide the necessary information/verification of the change within 10 days of the notice.

If the requested verification is not received, the reported/discovered information is unclear or questionable, and the effect of the change on benefits cannot be determined, such as income or household composition, a timely notice of adverse action is sent to close the case.

**Example 1:** On March 4th the household reports a household member changed jobs. The results of this change are unknown. The OPA Case Manager must send a 10 day TEAMS notice requesting verification of job ending and verification of income for the new job. The verification is due 14th.

If the requested verification is not received by March 14th, the case is closed and timely notice must be given to the household.

If verification is received and causes a decrease, benefits are decreased for April providing timely notice of adverse action.

If verification is received and causes an increase, benefits are increased for April and the OPA Case Manager sends a notice informing the household of the increase.

If the household verifies income from new job but does not verify old job ended, the income from the old job remains in the budget.

**Example 2:** On May 12th the household reports moving to another address but does not verify new shelter/utility costs. The results of this change are unknown. The OPA Case Manager must send a 10 day TEAMS notice requesting verification of new shelter costs. The verification is due May 22nd.

If the requested verification is received and causes a decrease, timely notice must be given to the household to decrease benefits for June. If the verification is received after timely notice can be given or time frames do not allowed acting on the change before timely notice can be



given, benefits are decreased for July with timely notice given to the household.

If the verification is not received by May 22nd, the shelter/utility expenses are removed for July because timely notice of decrease cannot be given for June.

**Example 3:** OPA receives mail returned with no forwarding address. The result of this change is unknown. The OPA Case Manager must send a 10 day request asking for information about the household's circumstances. Since the notice will probably never reach the household, it would be prudent to try to call the household for information regarding its circumstances.

If the household does not respond, the case is closed and no notice is required.

If mail is returned with an out of state forwarding address, the case is closed and no notice is required.

## SIX MONTH REPORT FORM

The only information that can be requested on the Six Month Report form is:

1. Changes in sources of income such as anticipated to receive or began receiving child support, started new job, changed jobs, etc.;
2. Changes in the amount of earned income of more than \$100;
3. Changes in the amount of unearned income of more than \$50;
4. Changes in household composition;
5. Changes in residence and the resulting changes in shelter expenses;
6. Resources reaching or exceeding \$2,000 or \$3,000 depending on household composition; and,
7. Changes in the legal obligation to pay child support.

At the six month report period, the OPA Case Manager must act on a change reported during the six month report period or a change reported on the Six Month Report form whether or not the household was required to report the change and whether or not the change causes benefits to decrease.

**Example:** The household submitted the Six Month Report form timely. The household did not move but reported rent decreased to \$300 a month on the Six Month Report form. Since the household reported the change, the OPA Case Manager must request the household provide verification of the rent change within 10 days via TEAMS notice.

If the household provides the verification, the OPA Case Manager uses the decreased rent amount of \$300 and **adequate notice** of decrease must be given to the household. If the household does not provide verification within 10 days, the OPA Case Manager removes the rent expense and **adequate notice** of decrease must be given to the household. The OPA Case Manager sets an alert and requests the verification again at recertification.

TEAMS sends the Six Month Report to the household on the 16th of month five, and the report is due back to the OPA on the 3rd of month six. The reports are registered as received on TEAMS SIX MONTH RPT REGISTRATION (SRRE) screen by OPA staff. Reports must be registered with the date they are date stamped as received in the OPA. Several reports can be registered at once. If a report is unsigned, it should be registered, but benefits should not be authorized until the report is signed. The OPA Case Manager must send the household a 10-day request for information/verification notice (F002, F603) requesting the form be signed. A signature is acceptable on a copied or faxed Six Month Report Form.

If the Six Month Report is not registered on TEAMS by the 8th of month six, an automatic system generated TEAMS notice NON-RECEIPT - 6 MR CLOSURE, F602, is sent to the household and the food stamp case is automatically closed effective the last day of month six.

**NOTE:** When the 8th day of the month falls on a weekend or holiday, the Six Month Report must be registered on TEAMS the next working day to avoid automatic closure of the case.

**NOTE:** At the six month reporting period, the OPA Case Manager must query computer systems for information that is available and is pertinent to the case. If the OPA Case Manager could have known information via a query but does not query or does not correctly query the other computer system, it is considered an agency caused error.

## SIX MONTH

If a Six Month Report is received by the 8th of the month but is

**REPORT  
RECEIVED BY  
8TH OF THE  
MONTH**



incomplete, the OPA Case Manager must send the household the TEAMS notice 6 MR - FURTHER INFORMATION, F002, allowing 10 days to provide the information/verification. If the information/verification is not received within 10 days of the notice or is received causing decreased benefits, the household must be provided **adequate notice of** adverse action.

**Example:** The household has fluctuating hours working at Burger King. The household's Six Month Report is due in January. The household submits the Six Month Report on January 7th and indicates no changes on the Six Month Report form.

The OPA Case Manager is aware hours fluctuate so information is questionable concerning income not changing. An employer form, or wage stubs and information from the household about its anticipated hours for the next six month period is needed to accurately prospectively budget its income. The OPA Case Manager must send the household the F002 notice requesting the income verification by January 18th.

The household provides verification of wages and anticipated hours on January 18th resulting in a decreased benefit. The decrease is effective for February, and **adequate notice** of the decrease is sent to the household.



**UNTIMELY  
SIX MONTH  
REPORT  
RECEIVED  
AFTER THE 8TH  
OF THE MONTH**

If a Six Month Report is received after the 8th of the month but required verification/information (income, resources, household composition, etc.) to process the report was not submitted, the food stamp case remains closed. The OPA Case Manager sends the household the notice, 6 MR-COURTESY CLOSURE, F603, explaining the Six Month Report was received but was incomplete so the case will remain closed unless the household provides the **required** verification/information to process the Six Month Report within 10 days of the TEAMS notice.

If the Six Month Report is received after the 8th of the month and no verification is required but items are needed to determine the ongoing benefit amount (such as shelter expenses or child support obligation), the case is reverted to open. The OPA Case Manager must send a TEAMS notice allowing the household 10 days to verify changes on the report. If the changes are verified within the 10-day TEAMS notice request for verification period or before the end of month six, the verified change is allowed. Benefits may need to be supplemented. If it is an unverified expense, the expense is not allowed as a deduction. If an expense is verified after the 10-day request for verification period when the 10-day request extends to the following month, the expense is allowed the month following receipt of verification.

**Example 1:** The household has fluctuating hours working at Burger King. The household's Six Month Report is due in January. The household submits the Six Month Report on January 31st and indicates no changes on the Six Month Report form.

The OPA Case Manager is aware hours fluctuate so information is questionable concerning income not changing. An employer form, or wage stubs and information from the employer/household about the anticipated hours for the next six month period is needed to accurately prospect the income. The OPA Case Manager must send the household the F603 notice requesting the income verification by February 10th.

The household provides verification of wages and anticipated hours on February 10th resulting in a decreased benefit.

The case is reverted to open. The OPA Case Manager sends the household the notice X501, REVERT TO OPEN, and a six month reporting requirement notice.

If the household provided wage verification after the 10-day TEAMS request for verification, the case remains closed and the household is required to reapply.

Reverting the case to open incorrectly will result in an agency-caused over payment.

**Example 2:** The household's Six Month Report is due in September. TEAMS automatically closed the case because the report was not registered as received by September 8th. The household submits the Six Month Report on September 20th reporting a decrease in the legal obligation to pay child support but did not provide the necessary verification. The information is not available to the OPA Case Manager on SEARCHS.

The OPA Case Manager sends notice F603 allowing the household 10 days to provide the verification of the new child support amount. If the household provides verification within the 10-day verification period, the new child support expense is allowed, the case is reverted to open, and benefits are authorized. The OPA Case

Manager sends the household the six month reporting requirement and X501, REVERT TO OPEN notices.

If the child support expense is not verified within the 10 days, the case is reverted to open, benefits are authorized but the expense is not allowed. The OPA Case Manager sends the household the six month reporting requirement and X501, REVERT TO OPEN notices.

If the child support is verified after the 10-day request period, October benefits are authorized without allowing the expense. The expense is allowed the month following receipt of the verification.

**CHANGES  
REPORTED AFTER  
6MR SUBMITTED  
BUT BEFORE 6MR  
IS PROCESSED**

A household is required to report all changes related to the questions on the Six Month Report form at the time the Six Month Report is submitted. If a change is reported **after the Six Month Report is submitted but before the six month report is processed**, the OPA Case Manager must act on the change within 10 days of the change being reported. The OPA Case Manager must send the household a TEAMS notice allowing the household 10 days to verify the change. This change must be included in the eligibility determination. Benefits must not be delayed (held or pended) beyond TEAMS cutoff day waiting for verification and notice of adverse action procedures apply.

**Example 1:** Household consists of mom, dad, and two children. Dad works and his income fluctuates. The Six Month Report form is submitted on May 1 without any verifications. On May 3rd the OPA Case Manager sends notice F002 to the household requesting verification of dad's income. On May 13th Dad's income verification is provided and it is reported mom just started working. On May 20th the OPA Case Manager sends the household a TEAMS notice allowing 10 days to provide income verification of mom's new job.



If verification of mom's income is not received by TEAMS cutoff, benefits are authorized using dad's income. If verification of mom's income is received by TEAMS cutoff, mom and dad's income are prospectively budgeted for June using **adequate notice** if benefits decrease. If verification of mom's income is received after cutoff and within the 10 day request for verification period, the income is prospectively budgeted for July and timely notice of decreased benefits must be given to the

household. If the verification is not received within 10 days, the case is closed with timely notice.

**Example 2:**

Household consists of mom and two children. The food stamp case closed because the Six Month Report form was not received by June 8th. On June 20th the household submits the six month report without any verification. Mom is working and her income fluctuates. On June 23rd the OPA Case Manager sends the household the F603 notice allowing 10 days to provide verification of mom's wages. The household provides the verification on July 1st and reports moving. The case is reverted to open for July and benefits are determined for July using the income verification and no changes to the shelter expenses. Since the household reported moving before the six month report was processed, a TEAMS 10 day request for information notice must be sent requesting shelter and utility verification. If the shelter and utility verifications are provided within the 10 days request for information, the new expenses are allowed for the August benefit determination. If the shelter and/or utility verifications are not submitted, the shelter and/or utility expenses are removed for August.

**Example 3:**

Household consists of dad and two children. Dad has fluctuating income. The six month report is submitted on June 5th without any verification. On June 9th notice F002 is sent requesting verification of Dad's income. On June 19th Dad's income verification is provided and it is reported mom moved into the household. The six month report is processed using dad's wage verification. The wage verification causes benefits to decrease and **adequate notice** must be sent to the household for July benefits. More information is needed to add mom to the case. On June 22nd OPA Case Manager sends a TEAMS 10 day request for information notice requesting the information required to add mom to the case. On July 2nd, the requested verification is submitted. If adding mom to the case causes an increase, she is added to the case for July, and benefits are supplemented for July. If adding mom to the case causes a decrease, she is added to the case for August with timely notice of adverse action. If the required verification is not submitted to add mom to the case, the case is closed with timely notice for August benefits.

**SIX MONTH  
REPORT  
RECEIVED IN  
MONTH SEVEN**

Households are required to reapply for benefits if a Six Month Report is not received by the last day in the sixth month. If the last day of the sixth month falls on a weekend or holiday, the household has through the next business day to submit the report. If information/verification is needed to process the report, the OPA Case Manager must send the household a TEAMS notice allowing 10 days to provide the information/verification.

Cases that are reverted to open incorrectly in the seventh month are subject to an agency-caused overpayment because the household is required to reapply for benefits.

TP

Department of Public Health  
and Human Services

Section:  
CASE MANAGEMENT

FOOD STAMP PROGRAM

Subject:  
Change Reporting Requirements

**Supersedes:** FS 1501-4 (10/01/04)

**References:** 7 CFR 273.10, 7 CFR 273.12, 7 CFR 273.13

GENERAL RULE -- The following households are subject to change reporting requirements:

1. Migrant/seasonal farm worker households; and,
2. Households in which all members are elderly or disabled and do not have countable earned income.

**CHANGE REPORT FORM AND NOTICE** Households are provided with a Change Report Form (DPHHS-HCS-260B):

1. At the application interview;
2. At the recertification interview;
3. Following a reported change; and,
4. On request.

The 'FS CHANGE REPORTING REQUIREMENT' (F012) notice is sent to the household:

1. At the time of application approval;
2. In month 12 of a 24-month certification period;
3. At the time of recertification approval;
4. Changing from six month to change reporting requirements; and,
5. When a change is probable.

**RECERTIFICATION PERIOD** Eligibility is determined for a 24-month certification period at application and recertification for households in which all members are elderly or disabled and do not have countable earned income.



Eligibility is determined for a six month certification period for migrant/seasonal farm worker households at application and recertification.

## CHANGE REPORTING REQUIREMENTS

Change reporting households are required to report the following changes as soon as possible but within 10 days of knowledge of:

1. Changes in sources of income;
2. Changes in the amount of earned income of more than \$100;

**NOTE:** This only applies to migrant/seasonal farm worker households because households in which all members are elderly or disabled with countable earned income are subject to six month reporting requirements.

3. Changes in the amount of unearned income of more than \$50;
4. Changes in household composition;
5. Changes in residence and the resulting changes in shelter expenses;

**NOTE:** The OPA Case Manager must send a TEAMS notice to the household requesting verification of the new shelter expenses be provided within 10 days of the notice. If verification of the new shelter expenses is not received, no shelter expenses are allowed. Timely notice of decrease must be provided to the household. A food stamp case is not closed for not providing verification of the new shelter expenses.

6. Resources reaching or exceeding \$2,000 or \$3,000 depending on household composition; and,
7. Changes in the legal obligation to pay child support.

**NOTE:** The OPA Case Manager must send a TEAMS notice to the household requesting verification of the changed child support obligation be provided within 10 days of the notice.

If the change reported was an increased obligation and the household did not provide the requested

		FS 1501-4
Section: CASE MANAGEMENT	Subject: Change Reporting Requirements	

verification, the previously verified amount continues to be used.

If the change reported was a decreased obligation and the household did not provide the requested verification, the expense is removed. Timely notice of decrease must be provided to the household.

If the household only reported the child support obligation changed but did not report if it increased or decreased and did not provide the requested verification, the expense is removed. Timely notice of decrease must be provided to the household.

≥

A food stamp case is not closed for not providing verification of the child support obligation.

#### **ACTING ON REPORTED/ DISCOVERED CHANGES**

The OPA Case Manager must act on all changes within 10 days of receiving or discovering changes regardless of the timeliness of the reported/discovered change.

**EXCEPTION:** Changes in medical expenses reported by a source other than the household are acted on if the changes are considered verified upon receipt and **do not require contact with the household**. The cash option expense is allowed as long as it is being incurred regardless of it being paid or of the household's reporting requirements (FS 602-3).

**NOTE:** Food stamp benefits must be authorized by TEAMS cutoff. Cutoff is the fourth working day from the last calendar day of the month.

Reported/discovered information may come from sources such as anonymous calls, letters, WoRC Case Managers, R&R Agencies, SEARCHS, MISTICS, State Fund, motor vehicles, etc. Households must be given the opportunity to verify or dispute the reported or discovered information within 10 days of the OPA Case Manager sending the household a request for information/verification notice.

#### **ACTING ON**

Changes reported causing increased benefits are acted on for benefits

		FS 1501-4
Section: CASE MANAGEMENT	Subject: Change Reporting Requirements	

**CHANGES  
CAUSING  
INCREASED  
BENEFITS**

for the month after the reported change.

**NOTE:** A supplement is issued for the benefit month for all changes reported within the administrative month (month prior to the benefit month) when the household provides the verification within the administrative month or provides the verification within the 10-day request for information period if the 10-day request for information period extends into the benefit month.

**WITHOUT VERIFICATION** When a reported/discovered change will result in an increased benefit but does not include the verification, the increase cannot be made until the change is verified. The OPA Case Manager must send a request for information/verification notice requesting the household provide the necessary verification of the change within 10 days of the notice. Benefits are authorized by TEAMS cutoff at the benefit amount previously issued if verification is not received prior to TEAMS cutoff or the 10-day request for information extends into the next benefit month.

If the requested verification is received in the administrative month or within the 10-day request for information period, the OPA Case Manager redetermines eligibility and the benefit amount. A supplement is issued to the household no later than the 10th day of the benefit month if the verification is provided within the administrative month or provided within the 10-day request for information period if the 10-day request for information period extends into the benefit month.

If the requested verification is not received within the administrative month or within the 10-day request period, the previously verified amount of the expense and the allotment amount stay the same. However, if the requested verification is not received, the reported information is unclear or questionable, and the effect of the change on benefits cannot be determined, such as income or household composition, a timely notice of adverse action is sent to close the case.

**Example 1:** A household reports on February 22nd its child support obligation increased from \$100 to \$150. The OPA Case Manager sends a TEAMS notice requesting the household provide verification of the increased child support obligation because the information was not available on SEARCHS. March benefits are authorized by TEAMS cutoff at February's benefit amount if verification is not received prior to TEAMS cutoff or the

≥

		FS 1501-4
Section: CASE MANAGEMENT	Subject: Change Reporting Requirements	

10-day request for information extends into the next benefit month.

If the household does not provide the requested verification in the administrative month (February) or within the 10-day request for verification period, the previously verified amount of \$100 continues to be used.

If the household provides verification in the administrative month (February) or within 10 days of the request for verification, a supplement is issued to the household no later than the 10th day of March.

**Example 2:** A household reports on February 22nd its rent changed. It is unknown with the information reported if the change would cause increased or decreased benefits. The OPA Case Manager sends a TEAMS notice requesting the household provide verification of the rent change. March benefits are authorized by TEAMS cutoff at February's benefit amount if verification is not received prior to TEAMS cutoff or the 10-day request for information extends into the next benefit month.

If the household does not provide the requested verification in the administrative month (February) or within the 10-day request for verification period, the rent expense is removed. Timely notice of decrease must be provided to the household.

**WITH VERIFICATION** When a reported/discovered change includes verification, the OPA Case Manager redetermines eligibility and benefit amount within 10 days of receiving the reported/discovered change. If acting on the increased benefit cannot be made prior to TEAMS cutoff, the benefit is authorized by TEAMS cutoff at the same amount as the previous month, and a supplement benefit is issued no later than the 10th day of the benefit month.

#### **CHANGES CAUSING DECREASED BENEFIT**

**WITHOUT VERIFICATION** When a reported/discovered change results in a decreased benefit but does not include the verification, the decrease cannot be made until the change is verified. The OPA Case Manager must send a request for information/verification notice requesting the household provide the necessary verification of the change within 10 days of the notice. Benefits are authorized by TEAMS cutoff at the benefit amount previously issued if verification is not received prior to TEAMS cutoff or the 10-day request for information extends into the next benefit month.

		FS 1501-4
Section: CASE MANAGEMENT	Subject: Change Reporting Requirements	

If the requested verification is received within the 10-day request period **AND** timely notice can be provided to the household, the household's benefit is decreased accordingly.

If the requested verification is not received in time to provide timely notice of adverse action or the 10-day request for information period extends into the next benefit month, the household's benefit is authorized by TEAMS cutoff at the same benefit amount as the previous month. The benefit decrease is effective the following month, and timely notice of the decreased benefit must be sent to the household.

If the requested verification is not received, the reported information is unclear or questionable, and the effect of the change on benefits cannot be determined, such as income or household composition, a timely notice of adverse action is sent to close the case. If the requested verification is not received such as a decreased expense, the expense is removed and timely notice of decrease is provided to the household.

**Example 1:** The household reports on January 22nd decreased rent. The OPA Case Manager sends a request for information/verification notice requesting the household provide verification of the decreased rent within 10 days of sending the notice. The household does not provide the requested verification. February benefit amount is authorized at the January amount since the household cannot be given timely notice of decrease. The rent expense is removed for March benefit month, and the household is sent timely notice of decrease.

**Example 2:** The household reports a new household member moved in who has income. The OPA Case Manager sends a request for information/verification notice from TEAMS requesting the household provide verification of the new member's income and resources within 10 days of the notice. The household does not provide verification. The OPA Case Manager must close the case providing timely notice of adverse action.

TP

Department of Public Health  
and Human Services

Section:  
CASE MANAGEMENT

FOOD STAMP PROGRAM

Subject:  
Adding/Removing Household Member

**Supersedes:** FS 1501-5 (10/01/07)

**References:** 7 CFR 273.1; 273.12; 273.13

GENERAL RULE -- When an individual moves into or out of a household that is participating in the Food Stamp Program, eligibility and the benefit amount must be evaluated based on the new household composition and the household's reporting requirements. The OPA Case Manager must use the correct time frames when it is necessary to provide the household with a notice of adverse action.

The Fraud and Recovery Unit updates TEAMS based on Disqualified Recipient Subsystem (DRS) requirements. The OPA Case Manager must verify on TEAMS CLMA and PRAP screens that the new member is not disqualified from the Food Stamp Program.

The Adding A New Household Member form, HCS-261B, is used as a tool by the OPA Case Manager to gather information and for the convenience of the household. **The form is not required and a case must not be closed for not completing the form.**

#### ► ADDING A HOUSEHOLD MEMBER

The OPA Case Manager acts on changes in household composition within 10 days of the reported/discovered change.

A new household member is added to the household effective the month after the reported/discovered change when the household provides any necessary information/verification to add the new member within 10 days from the date of request for information notice.

► When the 10th day of the request period falls on a weekend or holiday, the household has until the next business day to provide the information/verification.

► **Example 1:** The household is a six month reporting household and reports on June 22nd a child came to live with them for the summer on June 20th and will stay through August. The household reported the child has no income or resources and provided all the necessary information to add the child.

If time frames do not allow the child to be added before TEAMS cutoff, July's benefit must be authorized by TEAMS cutoff at June's benefit amount. The child must

Section:  
CASE MANAGEMENT

Subject:  
Adding/Removing Household Member

be added to the household by July 2nd for July. A supplement is issued for July.

The OPA Case Manager must set an alert for August to remove the child for September benefits and timely notice sent to the household.



**Example 2:** TANF/FS six month reporting household consists of mom and two children. On July 7th the household reports the father of the two children moved in July 3rd.

The OPA Case Manager must send a TEAMS 10 day request for information/verification notice to add the husband. The verification is due July 17th.

If the information is provided and causes an increase to the benefit amount, the husband is added effective August.

If the information is provided and causes a decrease to the benefit amount, the husband is added effective August and timely notice of adverse action must be given to the household. The household is sent the '6 MR REPORTING REQUIREMENTS' notice, F011 due to the change in household size.

If the household does not provide the requested information, the case is closed with timely notice sent to the household.

**Example 3:** The household is an SSI recipient (change reporter) and her recertification is March. She reports on June 4th Joan moved in with her on June 1st. Verification is requested to add Joan and is provided June 23rd. Joan works 20 hours a week, at \$7 an hour, and is paid every week.

Timely notice of decrease for July benefit amount cannot be provided to the household. July's benefit amount is authorized by TEAMS cutoff at June's benefit amount. The decrease benefit is effective August with timely notice of decrease sent to the household.

The household changes to six month reporting requirements for August. Since the recertification date (March) is more than six months away, the recertification period is shortened and the recertification date is moved

Section:

CASE MANAGEMENT

Subject:

Adding/Removing Household Member

ahead to the sixth month, January. The six month report date is July. The OPA Case Manager must send the household F014 'SHORTEN CERT' notice and 6 MR REPORTING REQUIREMENTS' notice, F011.



**Example 4:** On September 26th a household under 22 years old, reports moving in with his parents. The OPA Case Manager must send a TEAMS 10 day request for information/verification notice to add the parents. The verification is due October 6th.

If the information is provided and causes an increase to the benefit amount, the parents are added effective October and a supplement for October may need to be issued.

If the information is provided and causes a decrease to the benefit amount, the parents are added effective November and timely notice of adverse action must be sent to the household.

If the household does not provide the requested information, the case is closed for November and timely notice must be sent to the household.

## TANF AND FS SUPPLEMENT

If adding the new member results in TANF and FS supplements, the TANF supplement issued is countable income against the new member.

**Example:** Household reports on February 25th a new member moved in February 24th. The individual is added to the TANF household for March and is issued a TANF supplement. When determining the March food stamp supplement, the March TANF supplement is coded 'OF' on 'UNIN' screen against the new member.

## ► REMOVING A HOUSEHOLD MEMBER

The OPA Case Manager acts on changes in household composition within 10 days of the reported/discovered change.

A household member is removed from the household effective the month after the reported/discovered change.

The OPA Case Manager must determine if the individual that is removed from the household is expected to return. If the individual is expected to return to the household, code 'OU' on SEPA. If the individual is not expected to return, remove the person from the case



Section:

CASE MANAGEMENT

Subject:

Adding/Removing Household Member

(TEAMS CLIM screen).

**Example 1:** The household reports on January 20th Bill will move out January 31st. Bill is not anticipated to return to the household. Bill is removed from the case effective February 1st with timely notice of decrease provided to the household. If time frames do not allow for timely notice, February benefit is authorized by TEAMS cutoff at January's benefit amount. The decrease is effective for March's benefit with timely notice of decrease sent to the household. The household is sent the '6 MR REPORTING REQUIREMENTS' notice, F011.

**Example 2:** FS/Medicaid six month reporting household consists of husband, wife, and two children. The husband earns \$1,700 gross monthly. The household has no other income. On January 23rd the husband reports the wife moved out of the household. Since removing the wife for February causes benefits to decrease, the wife is removed for March with timely notice sent to the household. The household is sent the '6 MR REPORTING REQUIREMENTS' notice, F011.

**Example 3:** FS/Medicaid six month reporting household consists of husband, wife, and two children. The husband earns \$1,700 gross monthly. The household has no other income. On January 23rd the wife reports the husband moved out of the household.

The husband and his income are removed and benefits increase for February. The household is sent the '6 MR REPORTING REQUIREMENTS' notice, F011.

**Example 4:** Dad applies for benefits April 22nd for himself and his two children. The children are open on another case. Timely notice to remove the children for May benefits cannot be given to the other household. The children are added to the dad's case for June benefits.

TP

Department of Public Health  
and Human Services

Section:  
CASE MANAGEMENT

FOOD STAMP PROGRAM

Subject:  
Recertification

**Supersedes:** FS 1502-1 (04/01/06), Bulletin FS 55 (07/23/07)

**References:** 7 CFR 273.2, 7 CFR 273.10(f); 7 CFR 273.14

**GENERAL RULE** -- After the certification period ends, eligibility must be determined for a new period for a household to continue to participate in the Food Stamp Program. A new application is required if the case is closed for any period of time. A case is considered closed after the effective date of the closure.

## **RECERTIFICATION PERIODS**

Recertification periods are set for 6, 12, or 24 months depending on the household's circumstances. Another program's redetermination date should be coordinated with the food stamp recertification date when it is possible.

A TEAMS generated report listing the recertifications due is available to OPA Case Managers by Document Direct each month prior to the recertification month.

**Six month reporting household:** A recertification interview is required at least once every 12 months. The recertification month is generally set 12 months from the month the application or recertification is approved. The OPA Case Manager enters the recertification date on the EXAD screen in the 'CERT THROUGH:' field.

► **EXCEPTION:** Six month reporting homeless households (FS 0-4) are determined eligible for six month recertification periods.

**Change reporting households:** A recertification interview is required at least once every 24 months. The recertification month is generally 24 months from the month the application or recertification is approved. One contact with the household is required at least every 12 months. TEAMS will automatically generate and send the F012, FS CHANGE REPORTING REQUIREMENTS, notice in the 12th month. This notice serves as the one contact with the household every 12 months.

**EXCEPTIONS:** Migrant households are determined eligible for six month recertification periods.

► Households in which all members are elderly or disabled and do not have countable earned income

but have a disqualified household member coded 'DF', 'DQ', or 'DS' are subject to a 12 month certification period.

If a change reporting household member becomes disqualified ('DF', 'DQ', or 'DS') and the certification period is more than 12 months away, the OPA Case Manager must change the recertification date (shorten recertification period) to month 12 in the 'Cert Through field' on EXAD. The OPA Case Manager must send the household notice, F015 – DQ CHANGE REPORT SHORTEN CERT.

If a household becomes a six month reporting household and has a recertification date already scheduled within six months, the recertification is held as scheduled (FS 1501-3).

**Example:** A household whose household members are all elderly and/or disabled reports a new source of countable earned income on May 16, 2007 and provides verification on May 26, 2007. The household's recertification date is August 2007.

Timely notice of the decrease cannot be given to the household for June 2007 benefit month. June benefits are authorized by TEAMS cutoff at the May benefit amount. The earned income is countable in the household's budget for July 2007 benefit month. This household is a six month reporting household beginning July 2007. Enter a 'Y' in the 'Six Mo Report' field; enter 0208 in the 'Six Mo Date' field.

Since the already scheduled recertification is within six months, the household completes its scheduled recertification in August 2007. The first Six Month Report is due February 2008, six months from the initial month the recertification is approved.

The F011 system-generated notice is sent to the household.

If the household's gross monthly income now exceeds 130% of poverty of its household size, the OPA Case Manager must delete the F011 system-generated notice and must send the F010 notice to the household. This household's reporting requirement is to complete the Six Month Report.

Section: CASE MANAGEMENT

Subject: Recertification

If a household becomes a six month reporting household and has a recertification date already scheduled more than six months away, the OPA Case Manager must change the recertification date (shorten certification period) to month six from the initial month of becoming a six month reporting household (FS 1501-3). The OPA Case Manager must send the F014, 6MR-SHORTEN CERT, notice, informing the household that its certification period is shortened due to the household switching from change reporting to six month reporting requirements.

**Example:** A change reporting household reports earned income on September 5, 2007 and provides verification on September 13, 2007. The household's recertification date is June 2009. The household switches reporting requirements for October 2007 benefit month. Since the already scheduled recertification is more than six months away, the OPA Case Manager changes the recertification date (shortens recertification period) to March 2008. The first Six Month Report is due September 2008, six months from the initial month the recertification is approved.

Enter a 'Y' in the 'Six Mo Report' field; enter 0908 in the 'Six Mo Date' field; and enter 0308 in the 'Cert Through' field on EXAD.

The OPA Case Manager must send the F011 system-generated six month reporting requirement notice and the F014 notice informing the household of its shortened certification period.

## RECERTIFICATION FORM

A household receives 'Redetermination/Recertification Report' form, HCS-272, in the month prior to its recertification month. The instructions on the form asks the household to complete and return the report to the Office of Public Assistance (OPA) by the 1st of the month shown on the address label which is the month of recertification.

**Example:** Reports mailed in May show June on the address label. Households are requested to return the report to the OPA by June 1st.

The report is required to be completed and signed by any responsible adult member of the food stamp household or the authorized representative. Only the signature of one household member is required on the report.

Section: CASE MANAGEMENT

Subject: Recertification

**RECERTIFICATION  
INTERVIEW**

At the interview, the OPA Case Manager evaluates the status according to policy of each household member regarding eligible student status, work registration, ABAWD, fleeing felon, drug conviction, parole and probation violators, disability, disqualified members, etc. The OPA Case Manager explains and reviews the household's reporting requirements, the 'Rights and Responsibilities' form, (HCS 220), 'ABAWD Exemption List' form, (HCS 245A), 'Food Stamp Program Work Registration Understanding and Agreement' form, (HCS 543A). Not all households are required to have a household member sign forms (FS 700).

The OPA Case Manager must send the household the recertification interview appointment X034, REDE INTERVIEW TANF/FS, notice informing the household of the date and time of the recertification interview. This notice also informs the household that its benefits will end if the recertification is not completed.

**NOTE:** The X034 notice is not considered a 10-day request for information notice. A separate notice after the interview but prior to authorizing benefits must be sent to the household allowing at least 10 days to provide verification.

The OPA Case Manager must offer all households who meet hardship criteria (FS 103-1) the option of replacing an in-person interview with a telephone interview or a home visit.

**TIMELY  
RECERTIFICATION**

Recertification interviews must be scheduled by the 9th day of each month allowing the household sufficient time to provide the necessary verification, and the household the opportunity to participate in the normal month's issuance without interruption of benefits.

The OPA Case Manager must enter the current date on the RERE and INDA screens and enter through all of the required eligibility determinations screens. If determined eligible, benefits are authorized. The next recertification date is updated on EXAD. If determined eligible at recertification, the OPA Case Manager must send the household the recertification approval F123 notice **and** the appropriate reporting requirement notice on the same day eligibility is determined and approved. If determined ineligible at recertification, the OPA Case Manager must send the household the appropriate denial notice according to the reason for the denial.

If the household does not appear for the scheduled interview, the OPA Case Manager must send the household the missed interview notice F201, RECERT-MISSED INTERVIEW/FORM, no later than the day after the date the interview was scheduled.

The F201 notice serves as a denial notice when a recertification form is submitted by the end of the certification period but the household does not complete an interview. The F201 notice informs the household:

1. To contact the OPA to reschedule a missed interview by the end of the certification period if it wants to recertify for food stamp benefits;
2. If unable to appear in-person for the interview, an interview can be conducted by telephone or a home visit;
3. The recertification form can be submitted in person, through an authorized representative, by fax or other electronic-transmission, or by mail; and,
4. A new application is required if the recertification form is not submitted by the end of the certification period.

## DELAYED PROCESSING

► The household must reapply for benefits by completing a new application and an interview if the recertification form is not submitted by the last day of the recertification period. However, **IF** a recertification form is submitted within 30 days after the certification period ends, it is accepted as a new application and processed using recertification policy allowing at least 10 days to provide verification. If a new application is submitted, the application is processed using 30 day application processing policy.

► **NOTE:** If a household reapplies for recertification after its certification period ends, the application or recertification form must be screened for expedited processing.

**Example 1:** The household missed the scheduled recertification interview on June 6th. The OPA Case Manager sends the household the F201 notice.

On July 5th, the household submits the recertification form. The recertification form is accepted as a new application, and an interview is scheduled for the earliest available appointment.

An interview is conducted on July 7th, and the OPA Case Manager sends a TEAMS notice to the household requesting the necessary information to process the recertification. The information is to be provided within 10 days. The necessary verifications are submitted on July 11th. If the household is determined eligible, benefits are prorated from July 5th.

**Example 2:** The household missed the recertification interview on

June 6th and calls on June 30th to reschedule the interview. The household meets criteria for a telephone interview, and an interview is conducted June 30th.

The OPA Case Manager sends a TEAMS notice to the household on June 30th requesting the completed and signed recertification form and verification of income to be returned to the OPA by July 10th. The recertification form and income verification are submitted July 11th. The household is required to reapply by completing a new application and another interview. However, a recertification form was submitted on July 11th, and it is accepted as a new application. The household must be interviewed again at the earliest possible date. If the household provides all the necessary verification to process the recertification and is determined to be eligible, benefits are prorated from July 11th.

**Example 3:** The household missed the recertification interview on June 6th and did not submit the recertification form. The case is closed effective June 30th.

On July 2nd the household calls and requests an interview. An interview is scheduled at the earliest possible date, and a new application is sent to the household to complete.

There is no requirement that a recertification form be sent to the household instead of a new application. **IF** a recertification form is submitted instead of an application, it is accepted as the new application and processed using recertification policy allowing at least 10 days to provide verification.

If the household contacts the OPA on or before the last day of the month, an interview must be scheduled for the earliest possible date. After the interview, the OPA Case Manager must send a notice requesting the household provide any necessary information/verification within 10 days of the notice to complete the recertification.

If the information/verification is provided within the 10 days or before the end of the certification period, the OPA Case Manager must determine eligibility for the new certification period **within five working days** of the information/verification being received in the OPA. Benefits are not prorated. If determined eligible, the OPA Case Manager must send F123 **and** the appropriate reporting requirement notices to the household.

If the information/verification is provided within 10 days but the household is determined ineligible, or if the information/verification is not provided within the 10 days or before the end of the certification period, the OPA Case Manager must send the household the appropriate denial notice according to the reason for the denial.

**Example:** The recertification interview is scheduled for May 5th. The household does not appear for the scheduled interview. The OPA Case Manager sends the F201 notice no later than the day after the interview was scheduled. The household contacts the office on May 28th requesting the interview be rescheduled. Since the contact was made prior to June 1st, the interview must be rescheduled for the earliest possible date.

The case remains closed until the household is interviewed and completes all recertification requirements. After the interview, the OPA Case Manager must send a notice requesting the household provide any necessary information/verification to complete the recertification within 10 days of the notice.

If the information/verification is provided within the 10 days or before the end of the certification period and the household is determined eligible, the case is reverted to open. The OPA Case Manager must send the household the F123 **and** the appropriate reporting requirement notices.

If the information/verification is not provided within the 10-day request period or before the end of the certification period, or the household provides the information/verification and is determined ineligible, the case remains closed. The OPA Case Manager must send the household the appropriate denial notice according to the reason for denying the recertification.

If a household submits a recertification form and appears for its interview but the recertification was not processed within 30 days of the recertification form being filed due to an agency caused delay (FS 104-1), the recertification is processed and if determined eligible, benefits are not prorated.

If the household submits a recertification form before the end of the certification period but does not appear for the interview or does not submit the required verification, it has 30 days after the end of the



certification period to be interviewed and to have the recertification form be treated as a application for recertification.

**Example:** The household missed its recertification interview on April 5th. The OPA Case Manager sent the household the F201 notice on the day of the missed interview. The household submits its recertification form on April 25th. Another interview is scheduled for the earliest possible date. The household does not show for this interview. No further action is required because the case remains closed.

The household reapplies for benefits on May 18th. The recertification form is treated as an application for recertification. A new application is not required. The information on the recertification form is updated at the interview. The household must be given 10 days via TEAMS notice to provide verification to process the recertification. If determined eligible, benefits are prorated from the date of the interview.

If the household takes the required action before the end of the certification period, benefits are not prorated. If the household takes the required action 30 days after the end of the certification period, benefits are prorated from the date the household takes the required action.

**Example:** The household submits its recertification form on April 1st, and it missed its recertification interview on April 5th. The OPA Case Manager sent the household the F201 notice on the day of the missed interview. The household calls April 30th to reschedule its interview. Another interview is scheduled for the earliest possible date.

The household appears for interview on May 6th. A notice is sent requesting required verification to be provided by May 16th.

If the household provides the verification by May 16th and is determined eligible, the OPA Case Manager must send the household the F123 and the appropriate reporting requirement notices. Benefits are not prorated.

If the household does not provide the verification by May 16th, or the verification is provided and the household is determined ineligible, the OPA Case Manager must send the household the appropriate denial notice according to the reason for denying the recertification.

If the household submits the required verification by May 31st, benefits are prorated from the day the verification is provided.

If a household files an application within 30 days after the end of the certification period, the application is processed as an application for recertification. Benefits are prorated from the date the new application is filed.

**►CHANGES  
REPORTED AFTER  
THE INTERVIEW  
BUT BEFORE THE  
NOTICE OF  
ELIGIBILITY**

A household is required to report all changes related to its eligibility and benefit amount at the recertification interview. A household is required to report changes according to its reporting requirements after receiving the recertification notice of eligibility (approval notice). If a change is reported **after the interview but before the notice of eligibility (approval or denial notice)** is mailed, the OPA Case Manager must act on the change within 10 days of the change being reported regardless of the household's reporting requirements. The OPA Case Manager must send the household a TEAMS notice allowing the household 10 days to verify the change. This change must be included in the recertification eligibility determination. Benefits must not be delayed (held or pended) beyond TEAMS cutoff date of the recertification month waiting for verification. Cutoff is the fourth working day from the last calendar day of the month.

If there are not 10 days before cutoff to verify a change, the recertification eligibility determination is based on information requested at the interview. The OPA Case Manager must send the household a TEAMS notice allowing 10 days to provide verification of the newly reported change. If the verification is received before eligibility is determined and cutoff, the change is included in the initial month of the recertification eligibility determination. If the verification is received after eligibility is determined or after cutoff, the change is included in the recertification eligibility determination the month following the initial month of the recertification eligibility determination (second month) applying notice of adverse action procedures.

- **Example 1:** A household consists of dad, mom, and three children. On August 7th the household completes its recertification interview. The OPA Case Manager sends the F006 PEND RECER-REQUEST FOR INFO notice requesting verification of shelter costs and dad's fluctuating earned income. On August 17th the household submits all verification requested and reports mom started working. On August 20th the OPA Case Manager requests verification of mom's new income. If the verification is received before eligibility is determined

and TEAMS cutoff, the change is included for September benefits. If the verification is received after cutoff, the change is included for October benefits with timely notice of decrease sent to the household. If verification is not received within the 10 day request for information period, the case is closed for October with timely notice.

- **Example 2:** A household consists of mom and three children. The household misses its scheduled recertification interview but reschedules and is interviewed on June 20th. The OPA Case Manager sends the F006 requesting verification of shelter costs and mom's fluctuating earned income. On June 29th the verification is received and mom reports dad moved into the household and is working. Benefits for July are processed using information that was requested at the interview. A TEAMS 10 day request for information notice is sent to the household requesting verification of dad's income. If the information is provided within 10 days and causes benefits to increase, dad is added to the case for July and benefits are supplemented for July. If the information is provided and causes benefits to decrease, dad is added for August and timely notice of decrease must be sent to the household. If the information is not provided, the case is closed for August, and timely notice must be sent to the household.

## VERIFICATION AT RECERTIFICATION

Unchanged information does not need to be verified at recertification unless the information is incomplete, inaccurate, inconsistent, or outdated (FS 103-5). The following information must be verified:

1. Change(s) in income if the source has changed or the amount has changed by more than \$50. Verification of income is not required if the source has not changed and if the amount is unchanged or has changed by \$50 or less unless the information is incomplete, inaccurate, inconsistent or outdated.

**NOTE:** Generally, income that fluctuates from month to month changes more than \$50 and is verified at recertification.

2. Previously unreported utility expenses, utility expenses if the source changed, and previously reported but not verified utility expenses. Verification of utility costs claimed by the household that has not changed is not required unless the information is incomplete, inaccurate, inconsistent, or outdated.

Section: CASE MANAGEMENT

Subject: Recertification

3. Previously unreported medical expenses and total recurring medical expenses that changed by more than \$25. Verification of total medical expenses claimed by the household that have not changed or have changed by \$25 or less is not required unless the information is incomplete, inaccurate, inconsistent, or outdated.
4. Change(s) in the household's legal obligation to pay child support, the obligation amount, and monthly amount of child support the household actually pays to a non-household member. Verification of reported unchanged information is not required to be verified unless the information is incomplete, inaccurate, inconsistent or outdated.
5. An able bodied adult without dependents who is meeting the work requirement by working, participating in the Food Stamp Employment and Training program or by participating in a work program that is not operated or supervised by the state, the individual's work hours must be verified.
6. Other information that has changed, such as rent/mortgage, home-owner's insurance, property taxes, dependent care, student status, fleeing felon, drug conviction, etc. Unchanged information is not required to be verified unless the information is incomplete, inaccurate, inconsistent or outdated.

#### **NOTICE REQUIREMENTS**

If a household is determined eligible at recertification, the OPA Case Manager must send the household the recertification approval F123 notice, the appropriate reporting requirement notice, **and** the X010, SCHOOL BREAKFAST/LUNCH PROGRAM, notice must be sent to all households with school-aged children on the same day eligibility is determined and approved. If the household is determined ineligible, the OPA Case Manager must send the household the appropriate denial notice according to the reason for denying the recertification.

#### **RECERTIFICATION DOCUMENTATION**

The OPA Case Manager must document in case notes in sufficient detail so individuals reviewing the case (Hearing Officers, Management Evaluation Reviewers, Program Integrity Auditors, Claims and Recoveries Financial Investigators, Quality Assurance Specialists, Supervisors, federal auditors, etc.) can determine the reasonableness and accuracy of the prospective eligibility determination and benefit amount.

The OPA Case Manager must document in case notes the date of the interview, who was interviewed, and if the interview was in-person, by telephone, or at a home visit.

**Income** - list the dates paid, the gross amount of income per pay period, the number of hours worked, and the income calculation use to prospectively budget the income.

If a pay period is unusually high or unusually low, the OPA Case Manager documents the reason the check was unusually high or low by asking the household or the employer (unpaid sick days, unpaid vacation, worked extra because short staffed, etc.). The case note includes the reason the check was included in the income calculation or the reason the check was not included in the income calculation based on either the household or the employer anticipating or not anticipating it to occur again for the prospective period.

**Expenses** - list any expenses that changed and the verification used to verify the expense.

**Able Bodied Adult Without Dependents** - list any changes in an ABAWD time limited benefits.

**Other Information** - list any changes such as expenses, resources, household composition, etc. and the verification used to verify the change.

TP

Department of Public Health  
and Human Services

Section:  
CASELOAD MANAGEMENT

FOOD STAMP PROGRAM

Subject:  
Notice of Adverse Action

**Supersedes:** FS 1503-1 (04/01/05)

**References:** 7 CFR 273.13; 7 CFR 273.10; 7 CFR 273.18

GENERAL RULE – In most instances, the OPA Case Manager must provide the household with a notice of adverse action when reducing or terminating benefits within the certification period. The two types of adverse action notices are timely and adequate.

TEAMS mails notices the first working day following the day they are authorized on NORE.

## **NOTICE REQUIREMENTS**

All notices must be sent from TEAMS and include the following:

1. A statement of what action the OPA Case Manager intends to take or has taken.
2. The reasons for the intended action.
3. The specific state and federal regulations supporting such action.
4. An explanation of the person's right to request a hearing, including:
  - a. How to obtain a fair hearing;
  - b. The right to representation at the hearing, including information on obtaining legal assistance;
  - c. The circumstances under which benefits are continued if a hearing is requested, including the claimant's liability for any benefits incorrectly provided while awaiting the hearing if the hearing officer's decision is adverse to the claimant; and,
  - d. The name and telephone number of the person to contact for additional information.

## **TIMELY NOTICE**

Timely notice must be mailed from TEAMS at least 10 calendar days before the effective date of action.

**ADEQUATE  
NOTICE**

Adequate notice must be mailed from TEAMS no later than two working days after TEAMS cut off. TEAMS cut off is the fourth working day from the last calendar day of the month. Staggered food stamp issuance is not taken into consideration when determining adequate notice time frames.

Adequate notice can be sent in place of timely notice when the following conditions are met:

1. The household reports information which results in decrease or termination of benefits; and,
2. The report is in writing and signed by a household member; and,
3. The OPA office can determine the household's allotment or ineligibility based solely on the information provided by the household; or,
4. Adequate notice is sent when a household member is disqualified for an Intentional Program Violation (as determined by an administrative disqualification hearing or a court decision) and the benefits of the remaining members have been reduced or terminated to reflect the disqualification of the member. Adequate notice also applies when the household has signed the 'Waiver of Right to Disqualification Hearing.'
5. Adequate notice is sent when a Six Month Report form is received by the 8th of the month and verification is not received within 10 days or is received causing case closure or decreased benefits.

**NOTICE IS NOT  
REQUIRED**

Although it is a best practice to send a TEAMS notice for all adverse actions, a notice is **not required** in the following situations:

Mass Change - Benefit changes considered food stamp mass changes (FS 1501-2, numbers 1-5).

**NOTE:** Adequate notice of benefit changes resulting from any other mass change must be sent (FS 1501-2, numbers 6-8). These changes include COLA increases for RSDI, SSI, TANF Cash, Tribal TANF, and GA. In addition, an adequate notice must be sent for mass changes caused by legislative or regulatory changes which effect eligibility and benefit criteria.

Death of Household - It is reliably determined that **all** household members have died.

**NOTE:** When benefits are changed as a result of one household member dying, a notice is required.



Household Moved - It is reliably determined that a household moved or moved out of state, (e.g., 'address unknown/'moved no forwarding address'), or collateral contact confirms a household applied for food stamp benefits in another state.

Completion of Benefits Restoration - A household was receiving restoration of lost benefits, and the restoration is complete. The household was previously notified in writing of the date the increased allotment would terminate.

Variable Allotment - The household was notified **in writing** at the time of certification (application or recertification) that the allotment would vary from month to month during the certification period to reflect changes anticipated at the time of certification.

**NOTE:** This written TEAMS notice must state exact allotment amount for each month. If an exact allotment cannot be determined at certification, a separate notice must be mailed when a determination is made.

Joint TANF/Food Stamp Application - The household was notified in writing at the time of certification that food stamp benefits are reduced upon receipt of a TANF grant.

Expiration of Expedited Benefits (FS 105-1) - When expedited benefits were provided to a household for whom verification was postponed. The household must receive written notice that the receipt of benefits beyond the expedited period is contingent on its providing the postponed verification.

Terminating Eligibility of Treatment Center and Group Home Residents - The facility lost its certification from the Department of Public Health and Human Services or its status as an authorized representative is suspended by Food and Nutrition Services disqualifying it as a retailer. However, residents of group living arrangements applying on their own behalf are still eligible to participate.

Household Requests Termination - The household requests in writing its benefits be terminated. However, if the request is verbal, a TEAMS notice confirming the voluntary termination must be sent to the household.

TP



		FS 1504-1
Department of Public Health and Human Services	Section:	CASE MANAGEMENT
	Subject:	Over Issuance
FOOD STAMP PROGRAM		

**Supersedes:** FS 1504-1 (10/01/07)

**References:** 7 CFR 273.18(a), (d), (g), (3); 7 CFR 273.16

**GENERAL RULE** -- Evaluate the possibility of an overpayment claim against any household who received more food stamp benefits than it was eligible to receive (whether or not the household is currently participating in the Food Stamp Program). Repayment of an over issuance is the legal responsibility of **all** household members age 18 or older who were required household members during the overpayment period.

All food stamp overpayments are pursued regardless of whether the errors are agency-caused or household-caused errors.

- EXCEPTION:**
1. For closed cases only, do not establish overpayment claims under \$25 unless:
    - a. there is evidence of an Intentional Program Violation (IPV);
    - b. the claim was already established; or,
    - c. the claim was the result of a Program Compliance review.
  2. A claim must not be established if the over issuance occurred as the result of the OPA Case Manager failing to ensure that the household signed the application, recertification, six month report, or work registration forms.

## ►OVERPAYMENT LOGS

OPA Case Managers must record cases having potential overpayments on Form HCS-214, 'Overpayment Log', on a monthly basis. Overpayments are to be recorded on logs the month of discovery and remain on each subsequent monthly log until the overpayment is established. At the end of each month the completed log is submitted to the OPA Supervisor (or designee), who will review overpayments and keep a central file for their respective work units. Supervisors are to review the overpayments to ensure claims are established timely and accurately.

Section: CASE MANAGEMENT

Subject: Over Issuance

Central Office will request copies of the Overpayment Log for Management Evaluations and random claims reviews. This information is used to verify to USDA/FNS that at least 90% of all overpayment claims are processed accurately and within required time frames as required by federal mandate.

### **CATEGORICALLY ELIGIBLE HOUSEHOLDS**

Claims against categorically eligible households are only established when the claim can be calculated on the basis of changed net adjusted income and/or household size. Other issues unrelated to net income or household size such as, resources do not result in overpayment claims.

**Example:** It was discovered during a case review the categorically eligible household was not entitled to the SUA for the past three months. This results in a change in the net adjusted income and a claim must be established.

### **►CHANGES IN HOUSEHOLD COMPOSITION**

Claims and Recovery Unit (CRU) must be emailed (HHS QAD CLAIMS) after a claim has been established and an adult household member moves into a different food stamp household, so the overpayment will follow this client to the new TEAMS case.

### **EXPEDITED**

If it is determined after receiving postponed verification that some of the information was not accurate on an expedited case, there may not be an overpayment if the household provided information he/she believed to be true. Benefits are adjusted for the following month. However, if the applicant made a false or misleading statement, concealed information, or withheld facts on the application, an overpayment is established and an IPV must be considered.

### **GROUP HOME CLAIMS**

►

Group homes are liable for repayment for agency and household-caused overpayments when representatives of the group home act as authorized representatives (FS 201-6). The household's benefits must not be reduced to repay the over issuances. When there is an over issuance for a group home resident, Tammy Poppe at Central Office Food Stamp Unit must be contacted with the case number. A claim will be established with the group home. The group home claim should not be listed on the overpayment log.

### **CHILD SUPPORT/ TANF**

All child support income received after initial TANF or Tribal TANF benefit authorization is excluded income due to the requirement to turn the money over to the Child Support Enforcement Division

Section: CASE MANAGEMENT

Subject: Over Issuance

(CSED); therefore, there is not an overpayment for food stamps for this situation.

## DUAL PARTICIPATION

Generally, the state where duplicate benefits were authorized is the one who establishes the claim.

## TYPES OF CLAIMS

When a household was over issued benefits, the OPA Case Manager must determine if the error was caused by the agency or the household.

An error is considered an **agency-caused error** if caused by:

1. A state agency action or failure to take action on information known;
2. Incorrect application of policy by an OPA Case Manager;
3. An action by the OPA Case Manager which results in an incorrect determination of categorical eligibility, and the claim can be calculated based on a change in net income and/or household size; or,
4. The Social Security Administration (SSA) failed to take an action that resulted in the household incorrectly being determined categorically eligible.

Agency-caused errors include but are not limited to:

1. The OPA Case Manager failed to take timely action (within 10 days) on a reported change.
2. A computation error was made or policy was applied incorrectly.
3. A change in the food stamp allotment was not made after changing the TANF cash grant.

An error is considered a **household-caused error** when the household failed to report, provide information, or provided incorrect information. The OPA Case Manager must determine if the household inadvertently or intentionally caused the error.

Errors caused as a result of one of the following are considered **inadvertent household-caused errors**:

Section: CASE MANAGEMENT

Subject: Over Issuance

1. A misunderstanding or unintended error on the part of the household.
2. A misunderstanding or unintended error on the part of a categorically eligible household; provided the claim can be calculated based on a change in net income and/or household size.

Inadvertent household-caused errors include, but are not limited to, those claims in which the household:

1. Unintentionally failed to provide correct or complete information;
2. Unintentionally failed to report changes in household circumstances; or,
3. Received continued benefits pending the outcome of a Fair Hearing and the decision determined the household was ineligible or received an over issuance.

**Intentional household-cause errors** include, but are not limited to, those claims in which an applicant/participant intentionally:

1. Makes a false or misleading statement;
2. Misrepresents, conceals or withholds facts; or,
3. Commits any act that constitutes a violation of the Food Stamp Act or regulations, or any state statute relating to the use, presentation, transfer, acquisition, receipt, or possession of food stamps (FS 1505-1).

Overpayments determined to be a household-caused error must be evaluated for Intentional Program Violations (IPVs). Household-caused errors must have a TEAMS case note documenting whether or not an IPV is being pursued, and the reasoning behind the decision. If an IPV is not being pursued the TEAMS case note must include justification to substantiate this decision. A case note must be entered at the point of discovery, throughout the investigation, and when the claim is established.

Clients are informed about their rights and responsibilities (FS 103-3) and their reporting requirements (FS 1501-3 and 1501-4). Therefore, a household simply indicating they did not understand reporting requirements, forgot to report changes, or did not

Section: CASE MANAGEMENT

Subject: Over Issuance

intentionally cause the error alone does not constitute an inadvertent household error. There must be substantiated and documented unusual circumstances that cause the error to be inadvertent such as:

1. Client has a documented mental condition that causes comprehension or memory problems.
2. Client reported income untimely, but had relocated to a domestic violence shelter during the reporting time frames and caused the untimely reporting.

IPV disqualifications are referred to the Program Compliance Unit even when an over issuance is not established (FS 1505-1).

All household-caused over issuance claims are initially established as inadvertent household-caused errors. If the individual is found to have intentionally violated Food Stamp Program rules, the Claims and Recovery Unit (CRU) will update the case on TEAMS.

## **REFUSAL TO COOPERATE**

When the OPA Case Manager discovers information not reported according to the participant's reporting requirements, a request for information notice should be sent via TEAMS requiring the household submit information/verification within 10 days. If the household refuses to provide the required information/verification (e.g., actual wage amounts) the case must be closed (timely notice must be provided). A program and person alert should be set on the TEAMS PRAP screen. The participant may be required to respond to the request in writing or over the telephone, but not in person. The OPA Case Manager should attempt to obtain the information from the source (e.g., employer). If the information/verification cannot be obtained, a TEAMS case note should state there is an outstanding claim issue and what information/verification is needed to determine the amount of the claim.

If the case is closed and the household later reapplies, it must cooperate by providing information necessary to calculate the claim. The application will be denied if the household continues to refuse to cooperate with providing verification of actual income during the period of overpayment.

**EXCEPTION:** If the household is entitled to expedited services, the application must be approved for the first month and the second month held for the information/verification. When the

Section: CASE MANAGEMENT

Subject: Over Issuance

application date is on or after the 16th (FS 105-1), hold the third month for the information/verification.

**EXCEPTION:**

If the household is unable to obtain the information/verification due to no fault of their own, the new application can be approved and benefits are not held for the information/verification. The OPA Case Manager will case note why the information could not be obtained.

**PROGRAM COMPLIANCE INVESTIGATOR**

A request for contact may not be issued as an attempt to require an individual to meet with, or supply information to, a fraud investigator. Threatening to terminate the individual/household for failure to respond to a request for contact, when the response involves communicating with a fraud investigator, circumvents the right to remain silent. An individual does not face closure if the accused fails to attend an Administrative Disqualification Hearing (ADH), nor is the individual determined guilty of the IPV for failure to appear at the ADH unless the State is able to successfully argue its case before the hearing official. An individual cannot be closed for failure to cooperate in a fraud investigation.

**ESTABLISHING CLAIM TIMELY**

**For agency-caused errors**, a claim must be established for any over issuance not to exceed 12 months retroactively from the month of discovery.

**For household-caused errors**, the OPA Case Manager must establish a claim for any over issuance back to the date the act occurred not to exceed six years.

The OPA Case Manager must establish a claim and send a demand notice (F902) and over issuance history notice (F903) by the end of the quarter following the quarter that the overpayment is first identified. A quarter is identified as January - March, April - June, July - September and October - December. Therefore, an error discovered in February must have a claim established by the end of June. These dates also apply to over issuances that have been identified by a finalized Program Compliance review.

**EXCEPTION:**

Case corrections for Quality Assurance reviews, and Management Evaluation reviews, and National Directory of New Hire cases must be corrected according to the procedures outlined for

Section: CASE MANAGEMENT

Subject: Over Issuance

each of the reviews.

**NOTE:** Claims still must be established even if they are not established timely.

**An OPA Supervisor must review all overpayment claims for accuracy and timeliness of the claim. The overpayment claim must be approved by the OPA Supervisor and documented in case notes with the title of case note 'OP SUP AP'. If the OPA Supervisor does not enter a case note, the claim is deleted by the Claims and Recovery Unit (CRU) and must be reestablished.** The OPA Case Manager cannot change overpayments once 'ENTER' is pressed on the OVCA screen, so the OPA Supervisor needs to approve the claim before 'Enter' is pressed. If the OPA Case Manager makes additional changes to the case, the system will add a new overpayment claim, rather than updating the existing claim. If a claim must be deleted or changed, email HHS QAD CLAIMS at CRU.

**DETERMINING 1ST MONTH OF OVERPAYMENT**

The first month of overpayment is determined according to the reporting requirements the household was given for household and agency caused errors.

All unreported changes and changes that are not reported timely should be evaluated for a possible IPV disqualification (FS 1505-1).

**NOTE:** When determining if a change was reported timely for change reporting households, if the 10th day to report the change falls on a weekend or holiday, the household has until the next working day to report the change. When determining if a change was reported timely for six month reporting households, if the 10th day of month following the month that the change occurs falls on a weekend or holiday, the household has until the next working day to report the change.

When processing a change and the 10th day to act on the change falls on a weekend or holiday, the OPA Case Manager has until the next working day to act on the change.

**Six month reporting** households are required to report no later than the 10th of the following month when their **actual income**

Section: CASE MANAGEMENT

Subject: Over Issuance

exceeds the GMI for their household size. The households are also required to report if an ABAWD's hours decrease below 20 hours weekly when that member is identified as an ABAWD and the member's eligibility depends on working 20 hours weekly. This also is required to be reported by the 10th of the following month the ABAWD's hours decrease below 20 hours.

**NOTE:** An overpayment may exist for TANF and/or Medicaid but may not exist for food stamps because reporting requirements differ between programs. Food stamp overpayments are determined based on reporting requirements for the Food Stamp Program.

**NOTE:** 10-10-10 guideline does not apply when determining the first month of overpayment for six month reporting households.

**Example:** A household's actual income exceeds the GMI for its household size on August 20th. The household is required to report the change no later than September 10th. If the household does not report the change by September 10th, there is a possible overpayment for October if the prospectively budgeted income exceeds the GMI and timely notice of closure cannot be given to the household.

**Change reporting households** must be treated as if all maximum time frames applied. 10-10-10 is a program guideline to establish the first over issuance month. 10-10-10 refers strictly to calendar days counting weekends and holidays.

These time frames are as follows:

10 calendar days for the participant to report;

10 calendar days for the worker to act, and,

10 calendar days for notice of adverse action (FS 1505-1).

**NOTE:** **For agency-caused** over issuances, such as a worker failing to act on a reported change, the first 10 days is not a consideration. If the household reported timely, the allowance is only 10 days from date of report for worker to act and a 10-day notice for adverse action.

**Example 1:** An increase in unearned income was reported by a change reporting household on March 25th. The



Section: CASE MANAGEMENT

Subject: Over Issuance

OPA Case Manager acted untimely on the change on April 12th. Verification of the change was requested and provided April 22nd. May benefits are authorized at April benefit amount because there are not 10 days to provide the household timely notice to decrease benefits.

May benefits were over issued and an overpayment claim must be established for May.

**Example 2:** An increase in unearned income becomes known March 15th for a change reporting household but is not reported until April 30th. The household received more benefits in May than they were eligible to receive.

The 10-10-10 period ends April 14th. April's benefit issued at the previous benefit level is within policy requirements and an overpayment is not established for April. An overpayment is established for May.

The change reporting household was required to report the change in unearned income of more than \$50 by March 25th. If it was reported timely, the OPA Case Manager had until April 4th to act on the change. There would not have been time to allow for timely notice of decrease for April benefits so May is the first month the overpayment is calculated.

## LOSS OF DISREGARDS

If the income was not reported timely, earned income disregards cannot be allowed on the portion that was not reported/verified timely. This income should be coded 'LF' (loss of disregards for a FS only case) or 'LB' (loss of disregards for both TANF cash assistance and FS).

## PROCEDURE TO CALCULATE OVERPAYMENT

**For change reporters**, when an error is discovered, request actual circumstances of the element(s) that caused the error to calculate the overpayment.

**Example 1:** The medical expense deduction was incorrectly determined for a household member at recertification for December benefits. A review of the case in March finds an agency error causing over issued benefits. The OPA Case Manager corrects the case in April by determining the correct medical expense deduction for

Section: CASE MANAGEMENT

Subject: Over Issuance

May and providing the household timely notice of decreased benefits.

Actual medical bills for December, January, February, March, and April are needed to calculate the over issuance amount. Since this is an agency-caused error, benefits are restored for any months resulting in under issuances and used to offset the overpayment. The OPA Case Manager must wait 10 days after sending the overpayment demand and history notices (F902 and F903) to authorize the under issuance so the under issuance will be recouped to offset the over issuance.

If it was a household-caused error, benefits are not restored. The OPA Case Manager deletes the under issuance on the UNAU screen and documents in TEAMS case notes that the under issuance was household-caused, and a restoration/supplement is not appropriate in this case.

**Example 2:** Tim began working March 15th and reported the new job July 5th. The 10-10-10 rule is applied. Tim was required to report the new source of income by March 25th. If Tim reported the change timely, the OPA Case Manager had until April 4th to act on the change. Timely notice of decrease could not be given to the household for April benefits. The overpayment is established using actual income each month beginning May through July.

**For six month reporters,** the amount of the claim is based on the corrected circumstances that should have been used at certification, six month report period, recertification, or when a change was reported/discovered that required action. An overpayment could be the result of one of the following four circumstances:

1. When a household provides the OPA Case Manager with inaccurate information at the interview, the OPA Case Manager only requests verification of the inaccurate information.
2. When the OPA Case Manager inadvertently enters incorrect information into TEAMS, the OPA Case Manager should

compute the overpayment using only the actual information for that particular circumstance.

3. When the household's actual income exceeds the gross monthly income (GMI) standard during the six month reporting span, the household does not report the increased income timely, and the prospectively budgeted income exceeds the GMI.

**Example 1:** The OPA Case Manager discovers at six-month report period, the household's actual income exceeded the GMI in month two of the certification period. The household had until the 10th of month three to report and did not report it. The household's income exceeded the GMI in month four, was under the GMI for month five, and was over the GMI in month six.

The overpayment is calculated for month four, five, and six using income that would have been prospectively budgeted if the income had been reported by the 10th of month three.

**Example 2:** The household was recertified in September 2006 for October benefits. In January 2007, the household reported and verified decreased income. Benefits increased for February. The household submitted the Six Month Report in March 2007 for April benefits. At the six month report period, it was reported and verified income decreased again.

It was discovered through a case review in May 2007 the household incorrectly reported at recertification household composition of three people. The correct household composition was two people.

The household exceeded the GMI for the household size of 2 for October 2006 - January 2007. The overpayment is established for the full allotment from October through January. In January, the household reported and verified income decreased and was under the GMI for a household size of 2. Since the household reported and verified the decreased income in

Section: CASE MANAGEMENT

Subject: Over Issuance

January, the overpayment for February and March is established using that prospectively budgeted income figure for the household size of 2. The overpayment for April and May is established using the prospectively budgeted income figure from the six month report period in March 2007 for April benefits.

4. When an ABAWD work hours decreased below 20 hours (averaged monthly), and the household does not report the decreased hours timely.

**For self-employed households**, the actual annualized income should be used when computing an overpayment involving self-employment income.

**Example:** The household reported that their annual self-employment income was \$12,000 so the budget reflected \$1,000 per month. Later it was discovered the household's correct self-employment income was \$24,000. When computing the overpayment \$2,000 per month will be used as the 'actual annualized' income.

## UNDER ISSUANCE

If more than one past month is being re-evaluated, all overpayment months will be totaled into one overpayment claim. If some of the months reworked result in an under issuance, the restoration should only be authorized if the error was caused by the agency (FS 1504-2). For household-caused under issuances, the OPA Case Manager deletes the under issuance on the UNAU screen and documents on TEAMS case notes that the under issuance was household-caused, and a restoration/supplement is not appropriate in this case.

Deleting under issuances on the UNAU screen is completed by:

1. Entering a 'D' in the 'Action CD' field;
2. Leaving error cause blank; and,
3. Entering your password in the 'Underpayment Authorization' field.

## OFFSETTING CLAIMS

In cases when an initial allotment is received within 60 days of the date the application is filed and is paid retroactive to the date of the application; the allotment cannot be reduced to offset prior

Section: CASE MANAGEMENT

Subject: Over Issuance

claims. TEAMS is currently programmed to meet this requirement by not offsetting initial allotments.

If an over issuance claim has not yet been established and there is also an under issuance that needs to be authorized, both actions must be taken on OVCA (Overpayment/Claim Authorization) and UNAU (Underpayment Authorization) screens.

If there is an open over issuance claim for months prior to the under issuance month, the **entire restoration** (FS 1504-2) will be applied to the oldest outstanding claim up to the total amount needed to satisfy the overpayment claim.

**NOTE:** TEAMS is not programmed to recoup under issuances when correcting a case due to an agency-caused error, and some months result in over issuances and some months result in under issuances. **The OPA Case Manager must wait 10 days after sending the notice on the over issuance claim to authorize the under issuance, so the under issuance will be recouped to offset the over issuance.**

If a household is entitled to a supplement and there is an open over issuance claim for months prior to the under issuance month, the amount recouped will be **\$10.00 or 10% of the supplement, whichever is greater**, up to the outstanding over issuance amount. Households determined to have committed an IPV must have an allotment reduction of \$20.00 or 20% whichever is greater.

## FAIR HEARINGS AND CLAIMS

The OPA Case Manager will re-notify the household of a claim determined within a fair hearing decision. If the amount of claim is not included in the fair hearing, the OPA Case Manager will send the household a demand notice (F902) and will include in the free format area of the notice that the notice is a re-notification due to the fair hearing decision.

## SYSTEM- CALCULATED OVERPAYMENT

When a food stamp over issuance is determined, benefits are re-calculated by entering correct information and allowing TEAMS to establish an overpayment claim and to determine the overpayment amount.

1. For a record of the original budget, print the EXAD screens first. Also, print the screens being changed before and after the change. This will assist the OPA Case Manager in

providing evidence if the participant requests a fair hearing on the changes made in the case.

2. Input new data to re-calculate benefits and follow the screen flow through all resource, income, expense, and allotment determination screens. The OPA Case Manager must press 'Enter' on the EXAD determination screen in order to update the database with the re-calculated amounts. Make the required changes to the case for each month for which too many benefits were issued.
3. To establish an overpayment claim, NEXT to the SEOU menu (Setup Over- and Underpayments). On SEOU, enter the case number and benefit month, and select OVCA (Overpayment Claim Authorization). OVCA displays the CASE NAME, CASE NUMBER, PROGRAM TYPE (SUBTYPE), CLAIM NUMBER, and the ERROR MONTH and OVERPAYMENT AMOUNT for the months processed.

**NOTE:** The OVCA screen allows overpayment entries for 18 months. If there are more than 18 months, the OPA Case Manager must manually add together and combine the amounts with the 18th month to establish one claim and document in case notes to explain.

Use the following coding on the OVCA screen.

- a. 'OVERPAYMENT CNTY' field:

Enter the Geographic county number. This will be the county of financial responsibility (DO NOT enter the administrative county number unless it is the same as the geographic county number). If the error was for months they were in a different county, enter the geographic county number for the county the household currently reside.

- b. 'A/R NUMBER' field:

Enter the A/R number (usually the SSN of the primary information person, PI).

- c. 'ACTN' field:

For TEAMS calculated over issuance amounts, the action code will default to 'I' to include the amount.

Section: CASE MANAGEMENT

Subject: Over Issuance

d. 'Recovery Type' field:

'A' for household error

'E' for agency error

**NOTE:** When a claim is established due to a combination agency/household-caused error, the OPA Supervisor will contact the Regional Policy Specialist for clarification prior to establishing the claim.

e. The 'EFFECTIVE DATE' is the first of the month in which repayment will begin.

f. Enter the 'NOTICE DATE' (date the notice of overpayment is sent to the client).

►

g. Enter the 'STATUS' code 'PE'.

- The Claims and Recovery Unit (CRU) may enter a different status code if appropriate.

h. Enter one or more 'OVERPAYMENT REASON' codes.

- In the lower right, the following fields default as shown:

'AMOUNT' (\$10.00), 'PERCENT' (10%), and 'CATEGORY CODE' ('C' for food stamps).

**NOTE:** TEAMS will reduce future benefits by \$10.00 or 10%, (\$20.00 or 20% if an IPV), whichever is greater, unless a higher dollar amount is entered by CRU (see step 5 below).

i. Press Enter. TEAMS will fill in the following at the lower left of the screen:

- 'TOTAL AMOUNT'
- 'BALANCE'
- 'STATUS DATE'

Section: CASE MANAGEMENT

Subject: Over Issuance

4. The OPA Case Manager sends TEAMS notice F902. The notice explains the reason an overpayment exists, the amount of the overpayment (e.g., original amount minus corrected amount equals overpayment amount) and instructs the household to contact CRU to negotiate a repayment agreement. The notice situation for the F902 will be created when an overpayment claim is entered on OVCA. The OPA must inform the household that the monthly allotment will be reduced using adequate notice. TEAMS is programmed to automatically send notice, F903, when the F902 is sent. The F903 informs the household of the details of each of the overpayment months on the claim.

**NOTE:** If the household is receiving assistance when the claim is established, the OPA should not attempt to secure a repayment agreement. Refer the household to the Claims and Recovery Unit for repayment agreements.

5. TEAMS case notes must clearly document overpayment circumstances; e.g., when overpayment was first discovered, cause of overpayment, the income and calculation used to establish the overpayment (actual income, loss of disregards for unreported income, first month of overpayment when 10-10-10 rule is applied, etc.).

The OPA Case Manager cannot change overpayments once 'ENTER' is pressed on the OVCA screen. If the OPA Case Manager makes additional changes to the case, the system will add a new overpayment claim, rather than updating the existing claim. If a claim must be deleted or changed, email HHS QAD CLAIMS at CRU.

#### **MANUALLY CALCULATED OVER ISSUANCE**

There are situations, such as if the household is totally ineligible due to duplicated assistance in another state or exceeds the resource limit, when a manual over issuance must be established by the OPA. If a manual overpayment is done, the system may be unable to determine why an over issuance exists, and may create an under issuance to compensate. This will appear on the EXAD screen.



Section: CASE MANAGEMENT

Subject: Over Issuance

**NOTE:** Entering claim number '00' will bring up the claim that is not completed yet.

This situation can be handled in one of two ways:

1. Do not press Enter on EXAD; this prevents the under issuance from being stored.
2. If you press Enter on EXAD, go to UNAU and delete the underpayment that was just stored and enter a case note to explain your actions.

It is generally best to allow TEAMS to determine the amount of the over issuance by following the system-calculated over issuance process.

To manually enter an over issuance on TEAMS utilize the following process:

1. Select OVCA from the SEOU menu, and enter the following information:

Overpayment Cnty and A/R number  
 ACTN (use action code 'A' for Add)  
 Error Month  
 Overpayment Amount  
 CTBL ('Y')  
 Recovery Type (see Online Help)  
 Effective Date  
 Notice Date  
 Status ('PE' or 'OP')  
 Overpayment Reason Codes

2. Press Enter.

TEAMS fills in the Total Amount, Balance, and Status Date.

3. Follow step 4 of the system-calculated over issuance section.

## **METHODS OF REPAYMENT**

1. Lump Sum Payment - The household may make a cash or food stamp payment for the entire amount of the claim. The household should not be required to liquidate all its resources to make this lump sum payment.

Section: CASE MANAGEMENT

Subject: Over Issuance

2. Installment Payment - If the household is unable to repay with a lump sum, payments may be accepted in regular installments or a partial payment and regular installments for the balance. Installment payments must be negotiated with CRU. Refer the household to CRU for the repayment agreements. Phone number to call is 444-2978.
3. Allotment Reduction - This method will automatically be used for all households still receiving food stamps. Recipient households may choose lump sum or installment payments in addition to allotment reduction.

The allotment reduction is \$10.00 or 10% of the current allotment whichever is greater. Households determined to have committed an IPV must have an allotment reduction of \$20.00 or 20% whichever is greater.

The household can elect to have a higher dollar amount (not percent) deducted by sending a request to CRU.

Allotment reductions for households with outstanding claims who reapply for assistance will begin with the first **FULL** month's allotment.

TEAMS will maintain a record of:

- a. The full allotment amount the household is eligible to receive;
- b. The amount withheld from the household's monthly allotment; and,
- c. The amount the household actually receives.
  - Offset Debt with Electronic Benefit Balance - Food stamp participants may request the OPA Case Manager to reverse funds toward repayment of an overpayment claim from their Montana Access account. To remove funds from the EBT account, the OPA Case Manager completes a 'Request to Offset' form, HCS/FS-004.

**NOTE:** Participants should contact Customer Service for the balance in their account prior to completing the form to ensure there is the

Section: CASE MANAGEMENT

Subject: Over Issuance

amount of benefits in the account that they want to use for repayment.

This is applied as a **one-time** reduction and is not for future ongoing reductions. The household's signature is required on the form. One copy must be provided to the participant, one copy to Penny Hunsaker, DPHHS, Box 202925, Helena, MT 59620-2925, and one copy in the case file. An email must be sent to Penny Hunsaker at Central Office Food Stamp Unit, with a copy to Yvette Barnier, indicating the amount of the deduction requested by the participant.

►

5. Food stamp benefits not accessed in 365 days are expunged and no longer available to the household. If there is an outstanding overpayment, the benefits are applied towards the overpayment prior to being expunged. This is completed at Central Office.
6. Treasury Offset Program (TOP) - Accounts that are delinquent for 90 days or more will be referred by CRU to TOP or the Department of Revenue for collection. Funds that can be recouped include federal salaries, income tax returns, Social Security benefits, and any warrants issued through the State Department of Revenue. Concerns regarding collections are to be referred to CRU. Phone numbers for TOP are 1-888-241-8657 (toll free) or 406-444-4176 (Helena).

TP

Department of Public Health  
and Human Services

Section:  
CASELOAD MANAGEMENT

FOOD STAMP PROGRAM

Subject:  
Under Issuance

**Supersedes:** FS 1504-2 (10/01/05)

**References:** 7 CFR 273.17; 7 CFR 273.18(b)(2)

GENERAL RULE - When it is determined additional benefits are owed to the household, the OPA Case Manager must take action to locate the household and restore/supplement benefits as appropriate.

A **restoration** is an additional benefit issued for a **past month** to compensate for an under issuance.

A **supplement** is an additional benefit issued for the **current month** to compensate for an under issuance.

#### **BENEFITS NOT SUPPLEMENTED/ RESTORED**

Benefits are not restored or supplemented to households for unreported changes. The only actions required for household-caused under issuance errors are to correct the case for future months, document using TEAMS case notes, and send appropriate notices.

If Program Compliance establishes a household-caused under issuance error, the OPA Case Manager should not adjust the month of review, but instead update the case for future months, and document the Program Compliance review findings using TEAMS case notes.

**NOTE:** Due to differing requirements, it cannot be assumed the amount of under issuance determined by Program Compliance is the amount for restoration.

#### **OFFSETTING CLAIMS**

In cases when an initial allotment is received within 60 days of the date the application is filed and is paid retroactive to the date of the application; the allotment cannot be reduced to offset prior claims. TEAMS is currently programmed to meet this requirement by not offsetting initial allotments.

If an over issuance claim has not yet been established and there is also an under issuance that needs to be authorized, both actions must be taken on OVCA (Overpayment/Claim Authorization) and UNAU (Underpayment Authorization) screens.

If there is an open over issuance claim for months prior to the under issuance month, the **entire restoration** will be applied to the oldest

outstanding claim up to the total amount needed to satisfy the overpayment claim.

**NOTE:** TEAMS is not programmed to recoup under issuances when correcting a case due to an agency-caused error, and some months result in over issuances and some months result in under issuances. **The OPA Case Manager must wait 10 days after sending the notice on the over issuance claim to authorize the under issuance, so the under issuance will be recouped to offset the over issuance.**

If a household is entitled to a supplement and there is an open over issuance claim for months prior to the under issuance month, the amount recouped will be **\$10.00 or 10% of the supplement, whichever is greater**, up to the outstanding over issuance amount. Households determined to have committed an IPV must have an allotment reduction of \$20.00 or 20% whichever is greater.

#### CAUSE OF RESTORATION

Benefits are restored for an under issuance if the cause of the under issuance meets one of the following:

1. The loss was caused by the agency (including agency-caused error or TEAMS error);
2. An administrative disqualification for intentional program violation is reversed; or,
3. The federal regulations specifically state that a household is entitled to a restoration for lost benefits.

#### TIME LIMITS FOR RESTORING BENEFITS

Benefits must be restored if the loss occurred no more than 12 months from the most recent of the following events:

1. The date the household, another person or agency notifies the OPA of the possible loss to that specific household. The notification to the OPA can be oral or written.
2. The date the OPA is notified or otherwise discovers that a loss to a specific household has occurred.
3. Benefits were found by any judicial action to have been wrongfully withheld. If the judicial action is the first action the recipient took to receive restored benefits, they shall be restored for no more than 12 months from the date the court action was initiated.

If the judicial action is a review of an action taken by the OPA, benefits are restored for a period of no more than 12 months from whichever of the following dates occurred first:

- a. The date the OPA receives the request for restoration; or,
- b. If no request is received, the date the fair hearing action was initiated.

The Underpayment Authorization screen (UNAU) is used to document and record the amount of benefits to be restored/supplemented. A supervisor is required to authorize the UNAU screen when the month the OPA Case Manager is trying to authorize is more than three months ago based on the day the OPA Case Manager accesses UNAU. The OPA Case Manager must send proper notice to the household whenever restored/supplemental benefits are denied or approved (F811 or F810).

#### COMPUTING BENEFITS TO BE RESTORED

A household is entitled to restored benefits even if it is not currently receiving food stamps. Restore benefits only in those months that the household actually received food stamps not to exceed 12 months.

**EXCEPTION:** Restored benefits may be issued for months a household was not actually receiving food stamps if the household was incorrectly denied.

If, due to an agency-caused error, an eligible **household's application was denied** or the OPA Case Manager **delayed benefits** to an eligible household, the month of the application is considered the first month the loss occurred. The OPA Case Manager must provide benefits retroactive to the date of application.

If an eligible household made **timely application for continued benefits** and was not provided an opportunity to participate in the month following the expiration of its certification period, the month following the end of the certification period is considered the first month the loss occurred.

If a household's benefits were **erroneously terminated**, the first month that benefits were not received as a result of the erroneous action is considered the month the loss initially occurred.

After determining the date the loss initially occurred, the loss is calculated for each month after the initial month until either:

1. The first month the error is corrected;
2. The first month the household is found ineligible; or,

3. The first month the household reapplied.

**Example 1:** A household receives fewer benefits than entitled beginning in January, and the error is corrected for April issuance. If otherwise eligible, the household is due restored benefits for January, February and March.

**Example 2:** A household was erroneously denied in January, reapplied July 1st, and was certified. Even though the household did not request assistance for February through May, eligibility must be determined for these months. Lost benefits would be considered for January through June.

**Example 3:** A household was erroneously denied in January, reapplied July 1st, and was certified. Even though the household did not request assistance for February through May, eligibility must be determined for these months. Lost benefits would be considered for January through June.

The household was ineligible for March although eligible for the other months. The lost benefits are restored only for January and February because the restoration stops at the first month the household is ineligible.

Occasionally the **household composition changes** from the time the error occurred and the time the restoration is issued, (e.g., household splits into two different food stamp cases). When this occurs, the under issuance is calculated using the facts of the household situation and composition at the time the underpayment occurred. Benefits are restored to the food stamp household containing the majority of the original household members at the time the error occurred.

**NOTE:** If the household with the majority of members cannot be identified, located or determined, benefits will be restored to the household containing the Primary Information person at the time the error occurred. This would also occur when the number of original household members is exactly the same.

**Example 1:** Mom and Dad and three children are receiving food stamps. An under issuance for past months is discovered due to the OPA Case Manager making a math error when prospectively budgeting income.

Mom and dad separate; mom takes two children and dad takes one child. Restored benefits are issued to mom as her

household contains the majority of original participants at the time of the under issuance.

**Example 2:** Mom and Dad and two children are receiving food stamps. An under issuance for past months is discovered due to the OPA Case Manager making a math error when prospectively budgeting income.

Mom and dad separate, and each take one child. Restored benefits are issued to dad since he was the PI (head of household) at the time of the under issuance.

If an **Intentional Program Violation (IPV) is reversed**, the household is entitled to lost benefits during the months the individual was disqualified, not to exceed 12 months before the date of OPA notification.

The amount restored is determined by comparing the benefit the household received with the benefit the household would have received had the disqualified member been eligible for each month the individual was disqualified, not to exceed 12-month limit.

► HHS QAD CLAIMS must be emailed to delete the claim and put the claim in no recovery status. The OPA Case Manager restores the benefits and must email HHS QAD CLAIMS when the benefits are restored.

Household participation in an administrative disqualification hearing in which the household contests the OPA's assertion of IPV shall be considered notification that the household is requesting restored benefits.

Individuals are not entitled to restored benefits while disqualified solely because a criminal conviction is not obtained, unless they also successfully challenge the disqualification imposed by the administrative hearing decision in a separate court action.

#### ►CORRECTIONS ACCORDING TO REPORTING REQUIREMENTS

The first month of overpayment/underpayment is determined according to the reporting requirements the household was given for household and agency caused errors. If an under issuance occurs and the household is a **change reporting household**, the correction is made using the actual circumstance that caused the under issuance.

**Example 1:** A change reporting household was certified in April using the gross amount of SSI income. A review of the case in July finds the net SSI income is the correct income because SSA was recouping \$50.00 for SSI overpayment causing under issued benefits.



The OPA Case Manager corrects the case in July after TEAMS cut off day using the net amount of SSI income. Benefits are restored for April, May, June, July, and a supplement is issued for August benefits.

**Example 2:** The medical expense deduction was incorrectly determined for household member at recertification for December benefits. A review of the case in March finds the error causing under issued benefits.

The OPA Case Manager corrects the case in April before TEAMS cut off by determining the correct medical expense deduction for May. Actual medical bills for December, January, February, March and April are needed to determine under issuance. If an under issuance occurred, benefits are restored using actual medical expenses for December, January, February, March, and April benefits for the months an under issuance occurred.

If an under issuance occurs and the household is a **six month reporting household**, the amount of the under issuance is based on the corrected circumstances that should have been used at certification, six month report period, recertification, or when a change was reported/discovered that required action.

**Example 1:** Earned income was incorrectly calculated at recertification for May benefits. A review of the case in August finds the error causing an under issuance. The OPA Case Manager corrects the case in September before TEAMS cut off by correcting the earned income using the income that should have been prospected at recertification. The OPA Case Manager corrects the case for October and restores benefits for May, June, July, August, and September.

**Example 2:** The medical expense deduction was incorrectly determined for a household member at recertification for December benefits. A review of the case in March finds the error causing an under issuance.

The OPA Case Manager corrects the case in April before TEAMS cut off by determining the correct medical expense deduction for December through May using the medical expense deduction had it been determined correctly at recertification for December benefits.

**DISPUTED  
BENEFITS**

If the household does not agree with the amount or any other action taken by the OPA Case Manager to pay lost benefits, the household may request a fair hearing within 90 days of the date of the notification of entitlement to the benefits. If a fair hearing is requested before or during the time the lost benefits are being issued, the household will continue to receive the under issued benefits as determined by the OPA Case Manager pending the fair hearing decision. If the fair hearing decision is favorable to the household, the OPA Case Manager will restore benefits in accordance with that decision.

In addition, if a household believes it is entitled to under issued benefits, but the OPA Case Manager does not agree, the household may request a fair hearing on that issue. The OPA Case Manager should document on TEAMS case notes requests for under issued benefits, including justification for the OPA Case Manager's decision and date of the decision. Households should receive a TEAMS notice of the OPA Case Manager's decision (F810 'Restored/Supplemental benefits' or F811 'Restoration/ Supplement Denied').

**SYSTEM-  
CALCULATED  
UNDER ISSUANCE**

Whenever possible, TEAMS is used to calculate the under issuance.

1. Print the EXAD screens for a record of the original budget; also, print the screens being changed before and after the change.
2. Input new data to re-calculate benefits and follow the screen flow through all resource, income, expense, and allotment determination screens. The OPA Case Manager must press 'Enter' on the EXAD determination screen in order to update the database with the re-calculated amounts. Make the required changes to the case for each month for which too little benefits were issued.

3. To set up the food stamp under issuance, NEXT to the SEOU menu (Setup Over- and Under Issuances). On SEOU, input the case number, benefit month, program type of FS, and select UNAUI.

UNAUI displays case information as well as the error month(s) and under issuance amount(s) for all recalculated months.

4. Input the action code of 'C' (Change), error cause code of 'AP', (Agency Problem), the OPA Case Manager's password in the Underpayment Authorization field, and press 'Enter'.
5. Document the actions taken on the case using case notes.

The total payment amount will display. This may be less than the amount authorized if an outstanding overpayment claim exists for the case shown in the Recoup/Offset field. TEAMS will issue the allotment through the Daily Issuance process, and will be recorded on the FSIH (Food Stamp Issuance History screen).

**MANUALLY-  
CALCULATED  
UNDER ISSUANCE**

The OPA Case Manager may also manually enter an under issuance in specific situations when the TEAMS cannot calculate it.

1. Determine the under issued amounts by using form FA 52, 'Food Stamp Computation Worksheet'.
2. Next to SEOU and select UNAU.
3. Input an action code of 'A' (Add), the error month, the under issuance amount, and an error cause code of 'AP' (Agency Problem).

**NOTE:** An error cause code of 'CP' (Client Problem) is not accepted for the Food Stamp Program.

The OPA Case Manager must enter his/her password in the Underpayment Authorization filed and press 'Enter'.

4. Document actions taken on the case using case notes.

The Payment Amount will display. This may be less than the amount authorized if there are any outstanding overpayments for the case shown in the Recoup/Offset field. TEAMS will issue the allotment through the Daily Issuance process, and will be recorded on the FSIH (Food Stamp Issuance History screen).

TP

Department of Public Health  
and Human Services

Section:  
CASE MANAGEMENT

FOOD STAMP PROGRAM

Subject:  
Cash Management

**Supersedes:** FS 1504-1 (10/01/05)

**►Reference:** 7 CFR 273.18; Montana Operations Manual (MOMS) Volume II,  
Section 2-1200; SB 413 2007 Legislative Session

**GENERAL RULE** -- This policy establishes and maintains a system of internal controls over collections and deposits. The system provides a reasonable assurance that procedures for the collection of monies and the deposits are performed properly in the Offices of Public Assistance (OPA), Fiscal Bureau, Third Party Liability (TPL) Unit, and Child Support Enforcement Division (CSED).

**OFFICES OF  
PUBLIC  
ASSISTANCE**

1. Dual control for incoming collections should be implemented. One person should not perform multiple duties such as record keeping and completing the Payment Receipt Form (HCS-562). These duties should be kept separate. **Offices with one employee are the only exception to this rule.**
2. Open all sealed envelopes dropped off at the OPA. If the participant is present, request that he/she open the envelope for you. Do not mail a payment without including a Payment Receipt Form.
3. Checks and money orders must be paid to the order of: 'Department of Public Health and Human Services or DPHHS'. If a two-party check from an insurance company is accepted for Third Party Liability (TPL), the recipient must write in the endorsement space 'Pay to the order of DPHHS' and sign below.
4. Stamp all checks with the following endorsement at the time of initial receipt: 'For Deposit Only, To The Demand Account of the Montana State Treasury, DPHHS 6901'. **This is the only allowable endorsement.**
5. The check is immediately recorded on an internal log by the first person receiving it. The log shall contain the following information:

Check Date

Check/Money Order # (indicate if cash)

Payment Amount

'Payer' Name and Address

'Payee' Name and Social Security Number

Payment given to for Processing (employee name)

Employee Signature/Date (who received and logged payment)  
Fiscal/TPL/CSED Receipt Received Date

6. Once the payment is entered on the log, give the payment to the 2nd staff member to enter the information on the Payment Receipt Form. A separate Payment Receipt Form needs to be completed for each payment. The staff member who enters the information on the log should not be the same person to fill out the Payment Receipt Form.

**If the participant is present, make sure all the information is entered and he/she has signed and dated the Payment Receipt Form before he/she leaves.**

**Check/Money Order Processing:** The 2nd staff member enters all the pertinent information on the Payment Receipt Form and staples the check to Fiscal Bureau's, TPL's, or CSED's (pink) copy. This form is filled out for each check/money order received.

**Cash Processing:** The 1st person who receives the cash counts it and enters the information on the log. The information is also written on the currency envelope along with the initials of the individual who accepted the cash. The cash and the envelope are delivered to the 2nd staff member to verify. While both staff members are present, complete the information on the envelope, place the cash inside, and seal the envelope. The 2nd staff person completes the Payment Receipt Form for each transaction and attaches Fiscal Bureau's, TPL's, or CSED's copies to the envelope.

**Cash cannot be accepted for food stamp payments. It must be a check or money order.**

**Foreign Currency:** Contact the Fiscal Bureau Accounts Receivable or Collection Supervisor to find out the rate of exchange immediately upon receipt.

**Form Distribution:** The first (**white** original) copy of the four-part Payment Receipt Form is given to the participant as a receipt. If the participant is not present, mail the receipt to the address on the envelope in which the payment was received.

The second and third part of the form (**yellow** and **pink**) is attached to the check/money order or cash envelope and sent to the TPL Unit, CSED, or Fiscal Bureau.

Separate the Child Support Payment Receipt Forms, TPL Unit Payment Receipt Forms and the Fiscal Bureau's forms. Using an adding machine or an Excel spreadsheet, add all the checks/money orders and currency for each batch. Attach a copy of the adding machine tape or the

spreadsheet to each batch of checks/money orders and/or currency, initial and date. Verify that the Payment Receipt Forms are already attached to the checks/currency.

► **Mailing:** Establish a daily deadline for all checks/money orders and currency to be processed. Mail every Friday or immediately upon receiving \$200 in cash or if the total collections exceed \$750. Send to **DPHHS/Fiscal, TPL Unit, or CSED** via regular mail.

**CSED payments are mailed to:** TAPP; CSED; PO BOX 5955; HELENA, MT 59620.

If you have questions concerning the CSED payments, contact Technical Accounting and Payment Processing (TAPP).

**Examples of CSED payments:**

Child Support Repayment of Public Assistance Benefits  
Child Support received after approval for TANF

**TPL Unit payments are mailed to:** TPL UNIT; PO BOX 202953  
HELENA, MT 59620.

If you have questions concerning TPL Unit payments, contact Lana Haynes.

**Examples of payments sent to TPL:**

Third Party Liability (TPL)  
Accident Insurance Reimbursement  
Estate Recoveries  
Health Insurance Reimbursement  
Premium Payment  
VA Aid & Attendance  
Conditional Assistance

**Examples of Medicaid payments:**

Excess Resources  
Unreported Income VA Unreported  
Special Needs Trust  
Conditional Assistance

**All of the other payments listed on the form are mailed to:** DPHHS/  
FISCAL; PO BOX 4210; HELENA, MT 59604.

► If you have Public Assistance Bureau questions or concerns, contact the individual program policy specialist.

**Examples of other payments include:**

Section: CASE MANAGEMENT

Subject: Cash Management

Food Stamp Allotment Repayment (*Cash **not** accepted*)  
 Cash Assistance Repayment  
 Interim Assistance Reimbursement (SSI)  
 TANF Benefits  
 Other TANF Supportive Service

The fourth part of the form (**gold**) is retained at the Office of Public Assistance and attached to the log.

Review log to identify and follow up on all missing yellow receipts from the Fiscal Bureau, TPL Unit, and/or CSED. If you have questions, contact Fiscal Bureau Accounts Receivable for help.

Once the Fiscal Bureau, CSED, or TPL Unit signs and dates their copies, they will detach the bottom (yellow) copy to send back to the OPA. The OPA then enters the date returned on the log and files the (**yellow**) copy in the recipient's case file as proof of deposit.

#### FISCAL BUREAU, TPL UNIT, OR CSED

1. Once the Fiscal Bureau, TPL Unit, or CSED receives the checks/ money orders or currency, the amounts on the adding machine tape or Excel spreadsheet should be verified with the Payment Receipt Forms.
2. The box checked on the Payment Receipt Form will correlate to a speed chart number.
3. Fiscal Bureau, TPL Unit, or CSED employee enters the date the payment is received, speed chart number if applicable, date the yellow copy is mailed to the OPA, Fiscal, TPL Unit, or for CSED, the CSED employee's signature and date. By entering this information, the Fiscal Bureau, TPL Unit, or CSED is confirming that they received the currency and/or checks attached to the Payment Receipt Form.

The Fiscal Bureau, TPL Unit, or CSED employee who receives the payment will detach and **mail** the second copy (**yellow**) of the **form back** to the originating OPA as a receipt of the checks/money orders and/or currency.

4. Fiscal Bureau, TPL Unit, and CSED follow their normal deposit procedures. In conjunction, TPL will verify the amount paid to the amount owed.

#### OPA SECURE AREA AND RETENTION

**Safekeeping:** During working and non-working hours the checks/money orders and currency are required to be secured in a safekeeping area. If the staff member must leave their work area while processing the deposit, lock the checks in the secured area until the staff member returns. A secured area is a fireproof locked box or safe not accessible by the public.

Keys are to be secured at all times. Preferably only two staff members should have access to these keys. An access registry for the keys shall be kept on file.

**Retention:** The log and the office copies of the forms will be kept on file for three Federal fiscal years (Oct 1 through Sept 30). The OPA is responsible to make sure the deposit receipt date is entered on the log for each payment sent to the TPL Unit, Fiscal Bureau or CSED.

TP



Department of Public Health  
and Human Services

Section:  
CASE MANAGEMENT

FOOD STAMP PROGRAM

Subject:  
Intentional Program Violation

**Supersedes:** FS 1505-1 (10/01/03)

**References:** 7 CFR 273.16

GENERAL RULE -- After an error has been determined to not be an inadvertent household error (FS 1504-1), the Claims and Recovery Unit (CRU) will conduct Administrative Disqualification Hearings (ADH) in cases where facts of the individual case do not warrant criminal prosecution through the courts.

## OVERVIEW

Fraud prevention begins with careful explanation of appropriate policy and regulations to the applicant or participant and an explanation of how these policies relate to the individual participant.

Areas in which recipient fraud most often occur are:

1. Unreported or misrepresented income;
2. Unreported or misrepresented household composition;
3. Unreported excess property or resources; and,
4. Duplicate cases in which a recipient receives benefits from more than one county or state at the same time.

Be particularly wary of inconsistencies in documentation or interview information in these areas.

## INTENTIONAL PROGRAM VIOLATION/ DISQUALIFICATION

An applicant/participant is in violation of program rules if he/she:

1. Makes a false or misleading statement;
2. Misrepresents, conceals or withholds facts; or,
3. Commits any act that constitutes a violation of the Food Stamp Act or Regulations or any State Statute relating to the use, presentation, transfer, acquisition, receipt, or possession of food stamp benefits.

**NOTE:** The Office of Public Assistance (OPA) is obligated to refer **any** case of alleged intentional program violation (IPV) to CRU for investigation, whether or not the

household received benefits or incorrect benefits. An IPV may be pursued any time a household commits an act as outlined above.

## IDENTIFICATION OF INTENT

When an individual makes application for assistance, he/she attests to the truth, accuracy and completeness of the information provided and declares he/she understands the penalty for providing false information or misrepresenting his/her circumstances. The applicant is informed of the responsibility to report changes in the household's circumstances according to the household's reporting requirements either verbally by the OPA Case Manager or by signing Form HCS-220, 'Rights and Responsibilities Form'. The OPA Case Manager will case note how the individual was informed. The individual is bound by this declaration throughout the eligibility period. Program information such as eligibility requirements and penalties for failing to comply and the individual's rights and responsibilities are reviewed at each eligibility recertification.

As the OPA Case Manager processes the application for ongoing benefits (acting on changes, etc.) and discovers the current or reported information to be false, misleading, or not previously revealed, the individual is alleged to have intentionally violated program rules. More than one adult household member may be involved and can be subsequently found to have committed an IPV and be disqualified.

## REFERRAL FOR INVESTIGATION

When a potential IPV/fraud is discovered the case should be referred to CRU for investigation and processing using the following procedure:

1. The electronic referral form is completed by the OPA Case Manager with a brief explanation of events causing the referral to be made.

**NOTE:** The referral form is a WORD document that should be completed electronically.

- 
2. The referral form is sent as an email attachment to CRU at HHS QAD IPVS, who will refer it to the appropriate Program Integrity Investigator (PII).
  3. The PII will interview the client and gather evidence to determine if an IPV/Fraud exists.
  4. The PII will attempt to secure a signed waiver. If the waiver is not signed, the PII will complete the ADH packet and represent the Agency in the ADH. The OPA Case Manager may be called as a witness.

- **NOTE:** CRU is responsible for tape recording and/or transcribing the ADH. The PII attends the ADH via conference call.
5. Once the PII has gathered all the fraud information, and the investigation is completed, the referral form and information will be returned to CRU.
  6. CRU will log in the referral information and forward the referral form and information back to the OPA Case Manager.
  7. The OPA Case Manager will compute the overpayment and establish the claim on TEAMS, and send the appropriate overpayment notices to the participant. The completed referral form should be kept in the case file for future reference.

**NOTE:** When OPA has all the information necessary to establish an overpayment claim, the claim should be established prior to the referral. If the client has not supplied the information, OPA should attempt to obtain information as **OPA Case Managers are responsible for establishing claims timely.** The overpayment must be established by the quarter after the quarter of discovery.

**DISQUALIFICATION** Disqualify the following individuals:

1. Those determined at an ADH to have committed the IPV;
2. Those who signed the waiver of the right to an ADH; and,
3. Those who signed the consent agreement in cases referred for prosecution.

**NOTE:** Adult household members who were not required to sign the application can be disqualified for an IPV.

► **DISQUALIFICATION PERIOD** CRU completes the 'Action Taken on Your Waiver/Administrative Disqualification Hearing or By a Court of Law' form. The form lists the beginning and ending dates for the disqualification. CRU sends a copy of the form to the disqualified member(s) of the household and sends a copy of the completed form to the OPA Case Manager via an email attachment. Upon receipt of the form, the OPA Case Manager must take the appropriate action on the case and must send the household the appropriate TEAMS notice(s) allowing for adequate notice of closure or decreased benefits. The form is filed in the household's case file.

Once a disqualification period is imposed, it continues uninterrupted until completed, regardless of the disqualified individual's eligibility.

Disqualification penalties will be imposed as if all disqualified individuals are eligible to participate at the time of the IPV determination even if the case is currently closed. Code the disqualified individual 'DF' on SEPA. He/she shall be disqualified for:

1. Twelve consecutive months for the first violation;
2. Twenty-four consecutive months for the second violation;
3. Permanently for the third violation;
4. Ten consecutive years for the first and second occurrence of misrepresenting residence or identity in an attempt to obtain benefits in more than one state or in more than one household within the state; permanently for the third occurrence; or,
5. A court-ordered period due to Department of Justice prosecution. The following are federally mandated periods for fraud:
  - a. Individuals found guilty in Federal, State or local court of trading benefits for controlled substances or vice-versa would be ineligible to participate for 24 months for the first offense and permanently for the second offense.
  - b. Individuals found guilty in Federal, State or local court of being involved in the sale or trade of firearms, ammunition or explosives for benefits, or vice-versa will be permanently disqualified.
  - c. Individuals convicted of trafficking food stamp benefits of \$500 or more will be permanently disqualified.

**NOTE:** It is extremely important to review the CLMA screen (accessed via CLIM), PRAP screen and TEAMS case notes to determine if there have been previous IPV's prior to determining if the violation is a first, second or third violation. CRU updates the CLMA screen based on information provided from the Disqualified Recipient Subsystem (DRS). The DRS shows national food stamp disqualifications. Therefore, it is possible CLMA might be updated to show an IPV that has already been served in another state which would result in a

Section: CASE MANAGEMENT

Subject: Intentional Program Violation

Montana IPV disqualification of 24 months rather than 12 months.

**NOTE:** The OPA Case Manager will receive an alert whenever a DQ period is rendered.

**NOTE:** More than one violation may be the subject of a single pre-disqualification conference or ADH, but only one disqualification penalty may be assigned. However, a claim must be established on all overpayments for each affected month.

## TEAMS PROCESSING

To enter the disqualification, go to the SEPA screen to change the individual's participation code from 'IN' to 'DF'. The disqualification reason code is 'IF'.

The disqualification and reason codes must be entered prior to TEAMS cutoff to ensure the correct start month for the disqualification penalty period.

**NOTE:** If the action occurs after TEAMS issuance (cutoff), adjust the case for the following benefit month because benefits cannot be changed after they have been issue by TEAMS.

Record the number and length of the disqualification period in case notes and set a person alert on the TEAMS: PRAP screen noting this information.

Check the overpayment amount if any, and begin the repayment process.

**NOTE:** When a disqualification is not served and is later discovered, only the remaining sanction can be imposed. An overpayment must be established for those months that food stamps were received when the household was not entitled.

**Example:** A client was convicted of fraud on August 1, 2007 and a 12 month disqualification was determined. However, CRU was not made aware of the conviction until February 1, 2008. The client had been receiving food stamps from September 1, 2007 through February 28, 2008. The disqualification was imposed from September 1, 2007 through August 31, 2008 even though the agency did not become aware of it until February 1, 2008. An overpayment is established for the months of September 2007 through February 2008.

Department of Public Health  
and Human Services

Section:  
CASE MANAGEMENT

FOOD STAMP PROGRAM

Subject:  
Requesting a Fair Hearing/  
Continuation of Benefits

**Supersedes:** FS 1506-1 (10/01/05)

**References:** 7 CFR 273.15  
42 CFR 431.200 through .246  
ARM 37.5.304; .307; .313; .316; .318; .322; .325; .328; .331; .334; .503;  
.505  
ARM 37.82.101  
ARM 37.78.102

GENERAL RULE--A fair hearing will be granted to any applicant who requests a hearing because his/her application is denied or is not acted upon with reasonable promptness and to any participant who is aggrieved by any action resulting in reduction, discontinuance, termination, overpayment, or a determination establishing conditions for the receipt of benefits. The hearing request must be submitted, in writing, within 90 days of the Department's action notice.

≥ **NOTE:** Food Stamp applicants/participants may make an oral request for a hearing. County staff will then immediately forward the request to the Office of Fair Hearings, Helena, via e-mail or hard copy memo. The request must include the applicant/participant's name, address, phone number and the adverse action reason (e.g., such as closure of food stamp benefits).

A hearing request is defined as a clear expression by the applicant/participant (claimant), or his/her authorized representative acting for him/her, that he/she wants the opportunity to present his/her case to a higher authority. The freedom to make such a request will not be limited or interfered with in any way. The Department may assist the claimant to submit and process the request.

State law grants any 'real party in interest' (e.g., medical providers) the right to request a fair hearing and/or appeal a hearing decision.

The individual's fair hearing rights, how to request a hearing and/or continuation of benefits pending the hearing decision and repayment, if the decision is in favor of the Department are stated on the reverse side of the TEAMS notice informing the individual of the Department's action.

Section: CASE MANAGEMENT

Subject: Requesting a Fair Hearing/  
Continuation of Benefits**Food Stamp Program exceptions:**

1. The Food Stamp household may request a fair hearing related to 'restoration of lost benefits' for benefits which were lost more than 90 days but less than one year prior to the hearing request.
2. The Food Stamp household may request a fair hearing to dispute its current level of benefits at any time within the certification period.

**EXPEDITED**

Expedited hearings may be granted to households who request a hearing, but plan to leave Montana before a decision can be made under regular time frames (FS 1506-3).

**HEARING REQUEST  
DENIAL/ DISMISSAL**

A hearing may be denied or dismissed when:

1. The hearing request is withdrawn in writing by the individual (or representative acting on his/her behalf);

**NOTE:**

For the Food Stamp Program and TANF cash assistance, the hearing request may also be withdrawn verbally by the individual (or their representative acting on his/her behalf at any time). When a fair hearing is withdrawn verbally, the OPA must:

- a. Contact the Office of Fair Hearings (Barbara Conrady and Bonnie Brown) by phone or e-mail the same day. A confirmation of dismissal will be issued by the Office of Fair Hearings.
- b. Enter a TEAMS case note the same day stating that the individual provided a verbal request to withdraw the fair hearing.

The household has one opportunity to reinstate the fair hearing after withdrawing their request. Within 10 days of the confirmation of dismissal, the household may make a request for reinstatement directly to the Office of Fair Hearings. However, when an oral reinstatement of the fair hearing is requested at the county level, the county office must contact the Office of Fair Hearings by phone or e-mail the same day. Case notes of the oral request for reinstatement of the fair hearing must be entered the same day as the request. The

Section: CASE MANAGEMENT

Subject: Requesting a Fair Hearing/  
Continuation of Benefits

Office of Fair Hearings will follow up with notification of reinstatement.

2. The individual (or representative) fails to appear at the hearing without good cause;

**NOTE:** The Hearing Officer may reschedule the hearing if the claimant shows good cause for failure to appear. A hearing cannot be dismissed when a claimant does not appear for an Administrative Review.

3. The request is received by the Department more than 90 days after the date the notice was mailed;
4. Either federal or state law requires automatic benefit changes (unless the issue is incorrect benefit adjustments); or,
5. The Hearing Officer does not have jurisdiction over the subject matter or the appeal procedure.

When a hearing request is determined abandoned because the claimant failed to appear or request reschedule, a notice of dismissal or denial (in which the claimant is offered the opportunity to explain his/her failure to appear), is sent to the claimant by the Hearing Officer.

## ≥HEARING POSTPONEMENT

The household may request and is entitled to receive a postponement of a scheduled hearing. The postponement cannot exceed 30 days unless agreed to by both parties. The Hearings Officer's decision will be made within 60 days from the date of the hearing request.

**FOOD STAMP PROGRAM EXCEPTION:** For Food Stamps only, the time limit for action on the decision may be extended for as many days as the hearing is postponed. For example, if the household postpones the hearing for 10 days, the household must be notified of the hearing decision within 70 days from the date of the hearing request.

## AGENCY CONFERENCES

For the Food Stamp Program, a conference will be offered to households that contest a denial of expedited service. Households will be advised that use of an agency conference is optional and that it will in no way delay or replace the fair hearing process. The agency conferences may be attended by the OPA Case Manager responsible for the agency action, and will be attended by a supervisor and/or the director, and by the household and/or its representative. An agency conference may lead to an informal resolution of the dispute. However, a fair hearing must still be held unless the household makes a written or oral withdrawal of its request for a hearing.



Section: CASE MANAGEMENT

Subject: Requesting a Fair Hearing/  
Continuation of Benefits

An agency conference for households contesting a denial of expedited service will be scheduled within two working days, unless the household requests that it be scheduled later.

## CONTINUATION OF BENEFITS

A hearing request filed within the period between the date of the TEAMS notice of action and the effective date of the action may result in continuation (reinstatement) of benefits until a final hearing decision is rendered. Benefits will be continued until the hearing decision unless:

1. The claimant specifically requests that continued benefits not be paid pending the hearing decision;

≥

**NOTE:** For Food Stamps and Medicaid, when a hearing request does not positively indicate the household has waived continuation of benefits, continue benefits on the eligibility determination authorized immediately prior to the adverse action notice, if the hearing request was received no later than the date on which the adverse action took effect.

2. The claimant does not turn in the request by the date on which the adverse action took effect.

**NOTE:** If the notice of adverse action period ends on a weekend or holiday and a request for a fair hearing and continuation of benefits is received the day following the weekend or holiday, the State agency shall consider the request timely.

3. For TANF, the claimant does not specifically request continued benefits; or,
4. With the exception of the Food Stamp Program, it is determined that the sole issue is one of State or Federal law or policy.

The Department (OPA) must clearly and thoroughly explain the claimant's responsibility to repay benefits received during the hearing process if the adverse action is upheld.

≥

Continue benefits if all financial and non-financial requirements are met with the exception of the issue in dispute until a hearing decision is rendered and the claimant and the Department have exhausted the available administrative remedies which includes the appeal to the Board of Public Assistance or the time for appeal to the Board has passed without either the claimant or the Department appealing to the Board.

Section: CASE MANAGEMENT

Subject: Requesting a Fair Hearing/  
Continuation of Benefits

Changes reported during continuation of benefits should be acted upon according to each program's change reporting policy. (See 'Reduction of Continued Benefits' below).

If the decision is in favor of the Department, recovery of benefits issued during the continuation period must be initiated, if appropriate, and/or the adverse action imposed.

## REDUCTION OF CONTINUED BENEFITS

Once benefits are continued or reinstated, do not reduce or terminate benefits prior to the official hearing decision unless:

1. Eligibility ends for failing to meet any other eligibility requirements or time-limits are reached;
  - a. ABAWD time limits have expired.
  - b. The certification period expires and the household fails to complete the certification process for ongoing benefits.
2. A change affecting the participant's eligibility or basis of issuance occurs while the hearing decision is pending and the filing/assistance unit fails to request a hearing after the subsequent notice of adverse action;
3. The Hearing Officer makes a preliminary determination (in writing and at the hearing) the sole issue is one of State or Federal law or policy and no issue of improper benefit calculation, misapplication, or misinterpretation of State or Federal law or policy exists; or,
4. A mass change affecting the participant's eligibility or benefit level occurs while the hearing decision is pending. (See FS 1501-2, 'Mass Change'.)

## MASS CHANGE CONTINUATION

A mass change occurs when changes in either State or Federal law require automatic benefit adjustments for classes of recipients. When benefits are reduced or terminated due to a mass change, continue benefits at the prior amount only if the issue being contested is that:

1. Eligibility or benefits were improperly computed; or,
2. Federal law or regulation was misapplied or misinterpreted.

**NOTE:** A **Food Stamp** fair hearing cannot be dismissed solely because an issue is related to a mass change.

## PROCEDURE

Section: CASE MANAGEMENT

Subject: Requesting a Fair Hearing/  
Continuation of Benefits

Responsibility	ACTION
OPA Staff:	<ol style="list-style-type: none"> <li>1. Assist the applicant/participant in submitting the hearing request, if necessary.</li> <li>2. If the request is submitted to the county office, immediately forward it to the Office of Fair Hearings, Central Office.</li> <li>3. Advise the claimant of any free legal services which may be available (this information is on the 'Request for Fair Hearing' form).</li> <li>4. Upon request, make available without charge the specific materials (including the hearing rules) necessary for a claimant or his/her representative to prepare for the administrative review and/or hearing.</li> </ol>
Claimant/ Representative:	<ol style="list-style-type: none"> <li>5. Complete the 'Request for Fair Hearing' form or write a similar request for a hearing. Include the following information on the request: <ol style="list-style-type: none"> <li>a. To which program (e.g., Food Stamps, TANF Cash, Medicaid, etc.) does the request relate;</li> </ol> <p><b>NOTE:</b> Food Stamp applicants/participants may make an oral request for a hearing. County staff will then immediately forward the request to the Office of Fair Hearings, Helena, via e-mail or hard copy memo.</p> <ol style="list-style-type: none"> <li>b. What adverse action was taken; and,</li> <li>c. The client's name, address and phone number.</li> </ol> </li> <li>6. Mail the request to: <p>The Department of Public Health and Human Services Office of Fair Hearings P. O. Box 202953 Helena, Montana 59620-2953</p> </li> </ol>
Office of Fair Hearings:	<ol style="list-style-type: none"> <li>7. Grant a hearing to any applicant/participant or representative (except for a TANF Cash and Family Related Medicaid Programs hearing request) when either State or Federal law requires automatic grant adjustments for specific groups of clients.</li> </ol>
County Staff:	<ol style="list-style-type: none"> <li>8. Reinstate and/or continue benefits as appropriate.</li> </ol>

Section: CASE MANAGEMENT

Subject: Requesting a Fair Hearing/  
Continuation of Benefits

9. Advise the claimant of the requirement to repay all benefits received while awaiting the hearing decision, if the decision is not favorable.
10. Upon receipt of the notification from the Hearing Office of a hearing request, schedule an administrative review within the stated time lines (FS 1506-2).

PH

o O o

Department of Public Health  
and Human Services

Section:  
CASE MANAGEMENT

FOOD STAMP PROGRAM

Subject:  
Administrative Review

**Supersedes:** FS 1506-2 (10/01/05)

**References:** 7 CFR 273.15  
42 CFR 431.200 through .246  
ARM 37.5.304; .307; .313; .316; .318; .322; .325; .328; .331; .334; .337; .503;  
.505

**GENERAL RULE**—An Administrative Review is a meeting between an OPA representative and the applicant/participant/claimant and/or his/her representative, for the purpose of resolving a dispute on the Department's action, to possibly avoid an unnecessary hearing or diminish confusion at the hearing. An Administrative Review will:

1. Identify the issues related to the adverse action; and,
2. If possible, resolve questions and issues relating to the adverse action to the claimant's satisfaction.

**≥REVIEW TIME  
FRAME**

An Administrative Review must be held, completed, and a report submitted to the Hearing Officer within 15 calendar days from the date the Hearing Officer faxes the Review Request to the OPA authority unless an expedited review is requested.

The State agency shall assure that within 60 days of the receipt of a request for a fair hearing, the hearing is conducted, a decision is reached and the household and local agency are notified of the decision.

The State agency may also offer agency conferences to households adversely affected by an agency action. The State agency shall advise households that use of an agency conference is optional and that it shall in no way delay or replace the fair hearing process.

**NOTE:** The Administrative or Expedited Review will be held at the OPA of the claimant's county of residence or at any other location accessible and agreeable to all parties.

**EXPEDITED  
REVIEWS**

**TANF:** The OPA representative shall offer an expedited Administrative Review to claimants who contest a denial of Emergency TANF Assistance.

**≥** The household has 5 working days from the date of the denial to request an expedited review.

≥

The Administrative Review for the Emergency Assistance denial must be held within five working days from the date the request is received by the Department.

**NOTE:** To meet the time limits, the review may be conducted by telephone in those areas which require substantial travel to conduct an in-person review. The Fair Hearings Office must be informed of any delay in completing the review.

**FOOD STAMPS:** When a client is adversely affected, an Agency Conference for the review for denial of expedited Food Stamps must be held within two working days from the denial date, or later, at the household's request.

## GROUP REVIEWS

An Administrative Review may be held for a group when the:

1. Claimants agree to participate in a group rather than individually;
2. Cases involve related issues of State and/or Federal law, regulations or policies; and,
3. Claimants (or representatives) involved must each be allotted time to present his/her case.

## ≥RESCHEDULING

If the claimant cannot appear at the date and time initially set for the administrative review conference, reschedule it to a time and date that is more convenient for the claimant. If the claimant does not appear at the rescheduled conference, reschedule it again if the claimant has good cause as described below.

## GOOD CAUSE

The claimant may claim good cause for failure to appear at the scheduled Administrative Review conference because:

1. There is a temporary breakdown in transportation or child care arrangements;

**NOTE:** Transportation is considered to be available if the claimant has the use of a private vehicle, public transportation, or can ride with someone else, provided the claimant will not be required to accept a ride under circumstances which a reasonable person would consider dangerous or unsuitable.

2. A temporary severe illness or injury serious enough to prevent attending the meeting;

Section: CASE MANAGEMENT

Subject: Administrative Review

3. Severe weather conditions which make travel impossible or dangerous as experienced by others in the community; or,
4. Any other circumstance which is beyond the claimant's control.

**CLAIMANT  
REPRESENTATION**

The claimant may be represented by:

1. Him/herself; or,
2. An authorized representative, such as:
  - a. Legal counsel; or,
  - b. A relative, friend, or other spokesperson.

**COUNTY/DEPT.  
REPRESENTATION**

The OPA/Department is represented by an OPA staff member such as the County Director (or designee) and/or Regional or Central Office Policy Specialist. When the issue in dispute is complex and/or appears to have legal ramifications, the County Director/Designee shall contact their Regional Policy Specialist and request assistance from the Department's Office of Legal Affairs. For example, issues related to funds placed in trusts or resource accessibility, or if the claimant has indicated his/her legal counsel wishes to address State or Federal law.

If the Fair Hearing Officer requests a legal brief from all parties, the County Representative shall contact the Office of Legal Affairs and request them to prepare the brief.

**NOTE:** The OPA Case Manager who processed the case may attend the Administrative Review, but cannot act as the OPA representative.

**≥REVERSAL/  
MODIFIED  
ACTION**

At any time during an Administrative Review, an adverse action may be reversed or modified by the local OPA if circumstances warrant such action. In that case, a hearing would not need to be held unless the claimant protests the modified adverse action. If the claimant is satisfied with the modified/reversed determination, a withdrawal of the appeal from the claimant is necessary.

**EFFECT ON  
HEARING RIGHTS**

An Administrative Review does not diminish, delay or void the claimant's right to a fair hearing. When the Administrative Review does not resolve questions and issues relating to the adverse action to the claimant's satisfaction, the Hearing Officer must proceed with the hearing.

**FAILURE TO**

When the claimant (or representative) fails to appear for an

**APPEAR**

Administrative Review, without good cause, the OPA will:

1. Dismiss the Administrative Review,
2. Complete Form DPHHS-LS-007, 'Administrative Review Report ', and,
3. Distribute it according to the instructions on the bottom of the form.

The Hearing Officer will proceed with the hearing schedule and notify the claimant.

**≥CLAIMANT WAIVES REVIEW**

The claimant (and/or representative) has the right to waive an Administrative Review. When the claimant chooses to do so, all exhibits and other pertinent items including a signed Form DPHHS-LS-007, 'Administrative Review Report' are forwarded to the Office of Fair Hearings, Helena. A signed form is not necessary if the request to waive the Administrative Review has been received verbally.

**≥FORM DPHHS-LS-007** The Fair Hearings Office sends Form DPHHS-LS-007, 'Administrative Review Report', to the OPA as notification of the hearing request. A faxed copy is sent first, followed by a hard copy. Upon receipt of this form, the OPA must schedule the Administrative Review. Once the Review is completed, waived, or withdrawn, the OPA completes the bottom portion of the form, having the claimant sign and check the appropriate box, and returns it to the Fair Hearing Office.

1. For the Food Stamp Program and TANF cash assistance, if the Administrative Review is held by telephone and the claimant withdraws a hearing orally, the OPA contacts the Office of Fair Hearings indicating that verbal withdrawal was given at the telephone Administrative Review.

**NOTE:** Obtaining an oral withdrawal over the telephone is an exception to the routine practice, and not to be used when conducting Administrative Reviews unless the individual or his/her representative is unable to come into the OPA.

2. For Medicaid, if the Administrative Review is held by telephone and the claimant withdraws the hearing orally, the OPA mails Form DPHHS-LS-007 to the claimant to obtain the withdrawal signature. Request the claimant to return the form to the OPA or



the Office of Fair Hearings within five calendar days. If the form is not returned within five calendar days, notify the Office of Fair Hearings. For Medicaid, a verbal withdrawal is not allowed. The fair hearing must be held if the claimant does not sign the Form DPHHS-LS-007 or provide a written statement of withdrawal.

## ≥FOOD STAMP PROCEDURE

Responsibility	ACTION
≥Hearing Officer:	1. Upon receipt of the claimant's hearing request, complete the top portion of Form DPHHS-LS-007, 'Administrative Review Report' fax notification and send the hard copy of the form to the OPA.
≥	2. Notify the claimant that an Administrative Review will be scheduled with the local OPA representative(s) within 15 calendar days.
OPA:	3. Upon receiving Form DPHHS-LS-007: <ul style="list-style-type: none"> <li>a. Schedule the review within the appropriate time lines;               <div style="margin-left: 40px;"> <b>NOTE:</b> If either the claimant or the county has good cause to delay the Administrative Review, the Fair Hearings Office must be informed.                 </div> </li> </ul>
≥	<div style="margin-left: 40px;"> <b>NOTE:</b> The Administrative Review must be completed within 15 days.         </div> <ul style="list-style-type: none"> <li>b. Notify the claimant;</li> <li>c. Confer with the OPA Case Manager who processed (or is processing) the case;</li> <li>d. Gather exhibits (documents, etc.) substantiating the adverse action; and,</li> <li>e. Research and collect pertinent legal cites (e.g., ARMs, CFRs, etc.) and, if necessary, review the action with the Regional and/or Central Office Policy Specialist.</li> </ul>
County Representative:	4. Open the Administrative Review by: <ul style="list-style-type: none"> <li>a. Stating its purpose and scope;</li> </ul>

## Section: CASE MANAGEMENT

## Subject: Administrative Review

- b. Reminding the claimant the review has no effect on the right to a fair hearing;
- c. Explaining the client's:
  - i) Right to continued benefits pending the Fair Hearing decision; and,
  - ii) Responsibility to repay continued benefits if the adverse action is upheld.

Claimant/  
Representative:

5. Explain why a hearing was requested.

County Representative:

6. Explain why the adverse action was taken.
7. Provide documentation in support of the adverse action.
8. Provide clarification of state policies and regulations which may not be entirely understood.
9. Explain the laws and regulations under which the agency operates.

≥All Participants:

10. Reach a mutually acceptable solution within 15 days or proceed to the hearing.

County Representative:

11. Upon completion of the review, complete, sign and date 'Reviewer's Narrative' section of Form DPHHS-LS-007.

**NOTE:** The narrative must include a brief summary of both the Department's and the claimant's positions.

≥

**NOTE:** If the review is conducted by telephone, send a completed DPHHS-LS-007 to the claimant with instructions to sign and return it to the OPA within the 15 day time frame. If it is not returned in the 15 day time frame the OPA must contact the Office of Fair Hearings.

Claimant/  
Representative:

12. Complete, sign and date the 'Results of Administrative Review' section of Form DPHHS-LS-007 to indicate whether or not a resolution was reached.

County Representative:

13. If the resolution:

Section: CASE MANAGEMENT

Subject: Administrative Review

- a. Is favorable to the claimant, take action within 10 days correct any benefits which were under issued/underpaid and forward the DPHHS-LS-007 to the hearing office; or,
- b. Sustains the adverse action, forward DPHHS-LS-007 to hearing office and continue benefits, if appropriate. Inform the hearing office of any scheduling conflicts.

Hearing Officer:

14. If the issues were not resolved:

- a. Set the time and place for a Fair Hearing; and,
- b. Notify the claimant and OPA.

PH

o O o

Department of Public Health  
and Human Services

Section:  
CASE MANAGEMENT

FOOD STAMP PROGRAM

Subject:  
Fair Hearing Procedure

**Supersedes:** FS 1506-3 (10/01/03)

**References:** 7 CFR 273.15, ARM 37.5.101 through 37.5.505

**GENERAL RULE**--The Department is responsible to assure the individual's right to due process and the right to a hearing as stated in Section FS 1506-1. Hearings are conducted by an impartial official of the Department who has not been directly involved in the initial determination of the action in question. To meet due process standards, the Department has adopted these procedures.

## **HEARING SITE**

All parties to the hearing congregate at one location (usually the local county Office of Public Assistance (OPA) responsible for the contested case). The hearing may be conducted:

1. By a telephone conference call with the Hearing Officer in the Helena Hearings Office; or,
2. In a face-to-face hearing, if the claimant/representative makes a request for one:

≥

- a. All parties to the hearing and the Hearing Officer are at the same location responsible for the contested case; and,
- b. The Hearing Officer will conduct the hearing in person.

**NOTE:** Unless all parties agree to a different location, hearings are held in the OPA maintaining the claimant's case.

## **GROUP HEARINGS**

The Hearing Officer may respond to a series of individual requests for hearings by conducting a single group hearing. Such action is appropriate when:

1. The claimants involved agree to participate in a group rather than have an individual hearing;
2. The cases involve related issues of state and/or federal law, regulations or policies; and,

**NOTE:** These related issues must be the only ones to be heard.

3. The claimants/representatives involved are each allotted time to present their case.

## HEARING RECORD & TRANSCRIPTION

The hearing must be recorded and may have to be transcribed. The OPA is responsible for recording the proceedings and the transcription of the proceedings.

**NOTE:** Transcription is necessary only when a case is appealed to the Board of Public Assistance or upon a participant's request.

When a hearing is transcribed:

1. Text must be accurate. That is, neither words nor grammar can be changed from what was actually said;

**NOTE:** Words such as “uh” or “um” can be left out.

2. The last page must contain the statement: “I hereby certify that the above is a true and correct transcription of the Fair Hearing for (name of claimant). This transcript was prepared by (name of the typist preparing the transcript)”;
3. Statement must be signed by transcriptionist; and,
4. All pages must be numbered.

## NOTICE TO CLAIMANT

The Hearing Officer will send timely notice to the claimant/authorized representative by certified return receipt mail of the time, date, and place of the hearing. The claimant may request an earlier date as stated in Section FS 1506-1.

## CLAIMANT'S RIGHTS & ROLE

The claimant and/or representative has the right to examine the contents of his/her case file at any reasonable time prior to the hearing as well as during the hearing.

≥

**NOTE:** Counties will be required to provide copies of all exhibits they plan to enter into the record to the claimant and Fair Hearings Officer at least five days prior to the hearing.

≥

**NOTE:** Upon request, make available without charge the specific materials, including the hearing rules necessary for a claimant or his/her representative to prepare for the administrative review and/or hearing.

The claimant/representative may not examine those portions of the case file which:

1. Are precluded by federal regulation;
2. Are precluded by directive of a medical professional; or,
3. Contain confidential information about someone other than the claimant.

The claimant/authorized representative may:

1. Present the case or have it presented by a legal counsel or other person;
2. Bring witnesses;
3. Advance arguments without undue interference;
4. Submit evidence to establish all pertinent facts and circumstances in the case at least five days prior to the hearing (evidence presented during a hearing must be considered even if it was not submitted five days prior to the hearing); and,
5. Question or refute any testimony or evidence, including the opportunity to confront and cross-examine adverse witnesses.

## ≥ DEPARTMENT'S ROLE

The County Director/Designee must attend the hearing and present the case for the Department. All employees of the OPA who were involved in making the decision being appealed or who have information relevant to the issues in dispute must also attend the hearing. In addition, the DPHHS attorney, regional and/or central office policy specialist, or other authorized department representative may attend the hearing and present or participate in the case presentation.

When the issue in dispute is complex and/or appears to have legal ramifications, the County Director/Designee shall contact their Regional Policy Specialist and request assistance from the Department's Office of Legal Affairs. For example, issues related to funds placed in trusts or resource accessibility or if the claimant has indicated his/her legal counsel wishes to address state or federal law.

- ≥ If the Fair Hearings Officer requests a legal brief, the County Director/Designee shall promptly contact the Office of Legal Affairs and request them to prepare the brief.

The Department's representative may:

1. Examine all materials the claimant intends to introduce at the Fair Hearing;
2. Present its own evidence;

≥

**NOTE:** Counties will be required to provide copies of all exhibits they plan to enter into the record to the claimant and Fair Hearings Officer at least five days prior to the hearing.

3. Bring witnesses to testify on the Department's behalf;
4. Question or refute testimony of the claimant/authorized representative and his/her witnesses; and,
5. Confront and cross-examine the claimant/authorized representative and his/her witnesses.

## ≥ MATERIALS PRESENTED

The Department shall introduce only documents, records, papers and materials which were previously available for examination by the claimant/representative. Documents or records which the household will not otherwise have an opportunity to contest or challenge, shall not be introduced at the hearing or affect the hearing official's decision.

**Exception:** The Hearing Officer may request a document, etc., to be made part of the record during the hearing. The claimant is then given time to review such evidence generally during a brief recess of the hearing.

**NOTE:** Evidence of hearsay (e.g., letters from landlords, employers, neighbors, or family members when the letter writer is not present at the hearing) may or may not be allowed. Whenever possible, if an individual can attend the hearing, it is preferable. Affidavits are preferable to letters because the Hearing Officer will give more weight to an affidavit.

## HEARING OFFICER'S ROLE

The Hearing Officer may require:

1. Witnesses;
2. A party to comply with reasonable and appropriate orders or requests not in conflict with the rules and necessary to assure the orderly conduct of prehearing and hearing

procedures or to avoid unnecessary proceedings or expense;

3. Depositions upon oral examination, or written questions;
4. Written interrogatories; and,
5. Other materials as necessary for the hearing;

**NOTE:** For this purpose, the Hearing Officer may, upon request of any party to the hearing, issue subpoenas for witnesses or subpoenas duces tecum.

The Hearing Officer has the right to:

1. Disqualify himself at any time on the filing of a timely and sufficient affidavit of personal bias or other disqualification;
2. Direct the parties to appear and confer in a prehearing conference to consider definition and simplification of the issues or other matters to aid in the orderly and efficient conduct of the hearing;
3. Allow, for good cause shown, a third party to represent a claimant as an authorized representative in those instances where written authorization of the claimant is not obtainable;
4. Take judicial notice of state and federal laws and regulations and facts within the general knowledge of the public; and,
5. Grant summary judgment according to the provisions of Rule 56, Montana Rules of Civil Procedure.

The Hearing Officer will:

1. Administer required oaths or affirmations;
2. Consider all relevant issues;
3. Request, receive and make part of the record all evidence presented;
4. Regulate the conduct of the hearing consistent with due process to ensure an orderly hearing; and,



5. Render a decision in the name of the Department's Board of Public Assistance consisting of:
  - a. Findings of fact;
  - b. Conclusions of law; and,
  - c. A recommended order deciding the case based on the law after considering the evidence in the hearing record.

### **ACTION ON DECISION**

The Hearing Officer's decision will be made within 60 days from the date of the hearing request. The decision becomes final unless the Department or the claimant appeals the decision to the Board of Public Assistance within 15 days of the mailing of the Fair Hearing Decision (FS 1506-4).

**NOTE:** No action can be taken on the case until the 15 day limit for appeal has passed.

After the appeal period has passed, if the decision is:

1. Favorable to the claimant, the county must correct any under issuance of benefits within 10 days of receipt of the hearing decision; or,

**NOTE:** The county may take longer than 10 days if it elects to make the issuance correction in the next benefit month's issuance.

2. Favorable to the Department (action is upheld), the county must establish an over issuance/overpayment claim to recover benefits issued pending the decision, if appropriate, and/or impose the adverse action prior to the next benefit issuance if timely notice can be provided (FS 1504-1).

### **PROCEDURE**

Responsibility      ACTION

- Hearing Officer:
1. Schedule a Fair Hearing after:
    - a. The county has conducted an Administrative Review (FS 1506-2); and,

## Section: CASE MANAGEMENT

## Subject: Fair Hearing Procedure

- b. The completed Form SRS-LS-007, "Administrative Review Report" indicates the issues were not resolved at the Administrative Review level and the claimant wishes to proceed to hearing.

County Office: 2. Arrange for a cassette recorder to record the hearing.

- Hearing Officer: 3. Initiate the proceedings by:
- a. Informing participants that the hearing is being recorded;
  - b. Introducing him/herself and giving location for the record;
  - c. Stating the case name and number;
  - d. Requesting each individual present to state their name, role in the hearing and location;
  - e. Observing any problems in voice transmission and arrange for a change in positioning of the microphone, if necessary;
  - f. Explaining the procedure, the right to speak and cross-exam, and the order of the proceedings; and,
  - g. Advising those present to speak clearly, one at a time, and to identify him/herself before speaking.

County Office: 4. Begin recording the proceedings.

Hearing Officer: 5. Administer the oath; each person acknowledges the oath by voice.

- County Office: 6. Explain:
- a. What the adverse action is;
  - b. Why the adverse action was taken;
  - c. Why, in their opinion, the Fair Hearing was requested; and,
7. Present information, documentation, witnesses, legal cites, and legal argument in support of the adverse action.

Claimant/  
Representative: 8. Present all pertinent facts, circumstances, information, documentation and legal cites in support of his/her position.

Section: CASE MANAGEMENT

Subject: Fair Hearing Procedure

- Hearing Officer:
9. Conclude the hearing and inform the claimant a decision will be made within the appropriate time lines; and,
  10. Inform all parties, if the decision is not satisfactory, an appeal must be filed within 15 days of the mailing of the decision (FS 1506-4).
- County:
11. After the 15 day time limit for filing an appeal has elapsed, take appropriate action based on the decision made.

**NOTE:** If appealed to the Board of Public Assistance, no action is taken until the Board's order is rendered.

#### **CLAIMANT'S WITNESS'S EXPENSES**

The Hearing Officer may order the Department, or the local office where appropriate, to pay witness fees, mileage and other actual and necessary expenses of a witness subpoenaed at the claimant's request; if, in the judgment of the Hearing Officer, the witness's testimony is essential to the claimant's case.

The Hearing Officer may order, where relevant and useful, an independent medical assessment or professional evaluation from a source satisfactory to the claimant and the Department. The costs shall be paid by the Department, or where appropriate, the local office.

#### **HEARING RECORD**

If the Claimant or Department appeals the fair hearing decision to the Board of Public Assistance, a record of the hearing proceedings will be compiled for the Board to review. The hearing record is made up of:

The Hearing Officer's decision;

1. The verbatim transcript (if requested), or recording of testimony and exhibits; and,
2. All exhibits, papers, and requests filed in the proceeding.

The record is available to:

1. The claimant or representative at a place accessible to him/her at a reasonable time for inspection and copying.

**NOTE:** The place may be the OPA or other location acceptable to all parties.

2. To the public for inspection and copying.

**NOTE:** Client name, address and any other identifying information must be kept confidential.

The Office of Fair Hearings is responsible for preparing the record for the Board to review, EXCEPT the transcript. The Office of Public Assistance is responsible for preparing the transcript if the fair hearing board review is requested.

An attorney from the Office of Legal Affairs will represent the Department at the meeting of the Board of Public Assistance. It is not necessary for the County Director or anyone from the OPA to attend the Board's meeting unless they wish to do so.

The Board will enter a written order stating whether the fair hearing decision is upheld or reversed and will send copies of the order to the Claimant and the OPA. When the OPA receives the written order of the Board of Public Assistance, action should be taken as described in "Action on Decision", above.

PH

o O o

Department of Public Health  
and Human Services

Section:  
CASE MANAGEMENT

FOOD STAMP PROGRAM

Subject:  
Board of Public Assistance Appeal and  
Judicial Review

**Supersedes:** FS 1506-4 (10/01/03); Bulletin FS 018

**References:** 7 CFR 273.15  
ARM 37.5.331 through 37.5.334

GENERAL RULE - Any party to a fair hearing who does not agree with the hearing decision may appeal the decision. The appeal must be presented to the Board of Public Assistance Appeals, hereafter referred to as the Board.

**NOTE:** If the party does not agree with the Board's final decision, they may seek judicial review of the decision.

## APPEAL REQUEST

A request to appeal the hearing decision must be received within 15 days of mailing the decision. If a request is not filed within the 15-day period, the decision becomes final unless the party can show that failure to timely appeal was for good cause.

1. The claimant and/or authorized representative is given an opportunity to:
  - a. File exceptions;
  - b. Submit briefs; and,
  - c. Present oral argument.
2. The Department is represented by the Office of Legal Affairs. The Attorney:
  - a. May file exceptions;
  - b. Submit briefs; and,
  - c. Present oral argument.

## CONTINUING BENEFITS

Continue benefits, if appropriate, until the end of the month in which an adverse determination by the Hearing Officer is proposed. If the claimant files a request for Board appeal within 15 days, continue benefits:

1. Until the Board completes its review; and,

Section: CASE MANAGEMENT

Subject: Board of Public Assistance Appeal  
and Judicial Review

2. Through the end of the month in which the final decision is reached by the Board.

#### **≥BOARD OF APPEALS REVIEW**

The Board will render a decision after considering:

1. The Fair Hearing Officer's Proposed Decision;
2. Exceptions filed;
3. Briefs received;
4. Oral arguments; and,
5. The hearing record.

From the date of the appeal request, the Board's decision must be made within:

1. Forty-five days for Food Stamps; and,
2. Ninety days for all other programs.

#### **NOTICE OF BOARD DECISION**

The Board will notify the following of its decision:

1. The claimant and/or representative;
2. The local county office; and,
3. Any other interested party.

**NOTE:** The claimant and/or representative, county OPA, and any other appropriate party will receive notification of the right to Judicial Review

#### **IMPLEMENT DECISION**

If the Board's decision is:

1. Favorable to the claimant, within 10 days, the OPA must take action to correct any under issuance/payment of benefits; or,
2. Favorable to the Department, within 10 days, the OPA must take the appropriate action to recover the amount of any benefits received and/or impose the adverse action.

**NOTE:** When the court issues a stay of the action and the claimant seeks judicial review, suspend recovery of benefits pending the outcome of the judicial review.

Section: CASE MANAGEMENT

Subject: Board of Public Assistance Appeal  
and Judicial Review**JUDICIAL REVIEW**

A party to an appeal who does not agree with the Board's final decision may seek judicial review of that decision. The party must file a petition in the district court within 30 days after date of the Board's final order.

**NOTE:** A "party to an appeal" includes the claimant or authorized representative, a real party, or the Department.

**NOTE:** Do not continue benefits to the claimant during the judicial review except by court order.

yb

Department of Public Health  
and Human Services

Section:  
CASE MANAGEMENT

FOOD STAMP PROGRAM

Subject:  
Case Notes

**Supersedes:** FAIM, FMA, FS and MA 1507-1 (10/01/02)

**≥References:** 45 CFR 206.10; 7 CFR 273.12 and 273.2(f); ARM 37.82.101 & .78.102

GENERAL RULE -- Case files must be documented on system (TEAMS) case notes to support actions taken and decisions made concerning eligibility/benefit determination and current status of the case. Documentation must be in sufficient detail for a reviewer to determine the reasonableness and accuracy of the actions taken.

**≥DEFINITION** A clear, concise, complete, objective journal entry of significant facts, which justify actions taken, and supports eligibility decisions made by OPA Staff, and case management actions by WoRC staff.

**≥LEGAL RECORD** **Case notes are a legal record of the Department's actions.** They have been used as evidence in various settings including DPHHS Fair Hearings, Administrative Disqualification Hearings, and Program Integrity fraud prosecution.

TEAMS case notes serve the following purposes:

1. Chronicle a series of events;
2. Summarize non-financial and financial eligibility requirements;
3. Outline actions in cases of noncompliance;
4. List types and results of referrals;
- ≥ 5. Describe development and progress of FIA/Employment Plan (EP) activities;
6. Monitor compliance with eligibility and FIA/EP or Food Stamp Employment and Training (FSET) requirements;
7. Record TANF Cash Assistance and FS ABAWD time-limits; and,
- ≥ 8. Document the family's progress in finding alternatives to public assistance; identify and facilitate the family's access to services; identify barriers to employment and how the barriers were addressed.

≥ Case notes are extremely important to document services provided to households with less than 12 months remaining on their time clock and for determination of TANF Extended Benefits. Good documentation of activities, successes and failures will have an important bearing on the determination of benefits beyond 60 months.



Section: CASE MANAGEMENT

Subject: Case Notes

**CASE NOTE  
ACCESSIBILITY**

Upon request, case records, including case notes, are available to the filing unit and/or, if a release is provided, to their authorized representative. Case notes may also be viewed by other individuals involved in the eligibility determination such as the WoRC Case Managers, Policy Specialists, Program Compliance Auditors, Regional Quality Assurance Reviewers, Food Stamp Employment and Training Case Managers, etc.

≥

Many Department personnel have system security allowing inquiry only. These individuals have security clearance to review case notes and investigate the case circumstances and all information as part of their job duties. These duties may include:

1. Third-party liability information;
2. Claims and Recovery;
3. Program Compliance;
4. Time clock adjustments;
5. Fair hearings;
6. Fiscal data;
7. TANF out-of-state inquiries;
8. Policy clarifications;
9. Federal reporting requirements; and,
10. System programmer adjustments.

**≥AMENDING  
CASE NOTES/  
SECURITY**

Certain individuals engaged in administering public assistance programs and case management have system security that allows them to record their specific actions on the CANO screen. These individuals are:

1. Office of Public Assistance (OPA) eligibility staff;
2. WoRC/FSET Case Managers;
3. Specific regional and Central Office staff;
4. System programmers; and,
5. Claims and Recovery Unit staff.

≥

≥

Case notes are a legal record of case history. A case note should only be changed or updated by the original author the same day it is entered. If it is later determined an error was made in a case note, an **amended case note** needs to be entered to document the change or correction.

**≥CASE NOTE  
CONTENT**

Case notes should be clear, concise, brief and answer the following questions.

- **Who** . . . provided the information/reported the change?
- **What** . . . information/source of the information?
- **When**. . . is the information effective/will the change occur/was the report made?

- **Where.** . . . will change occur - residence, income, etc?
- **Why** . . . . is the action taken?
- **How** . . . . will the information affect eligibility?

≥

**Case note titles must be specific listing the main topic of the note.**

When there is more than one main topic each topic should be broken into a separate case note. This will make it easier to retrieve specific information at a later date. Such titles might include:

- Household Composition/Joint Custody,
- Income/Self-employment/Educational,
- Resources/Trusts,
- Expenses/Deductions,
- Resource Assessment,
- Out-Of-State TANF/Time Clock Adjustments,
- Address Change/ Resides On-Off Reservation,
- ABAWD/ FSET,
- Overpayment/IPV/Underpayment/Supplement,
- QA/ME Review Findings/Corrections,
- Intake,
- Interfaces,
- Felony Status,
- WoRC Progress,
- HIPAA,
- Incurment,
- Community Spouse,
- Essential For Employment,
- Supportive Services,
- Emergency Assistance,
- Extension application, and,
- At-risk (subjective).

≥

**Recorded information must be factual and can include statements a client has made.** Case notes are required for any issue that is not fully explained by the entry code on the appropriate screen. Case notes should explain any questionable or unusual situations. A case note is required when the verification code of **collateral contact** or **visually verified** is used.

≥

**NOTE:** Even though resources are listed on the system, a brief synopsis of types of resources available or why deemed inaccessible should be documented at intake and recertification/redetermination (e.g., vehicles listed on P-Justice that are no longer accessible). This will make future recertification/redeterminations smoother.

Case notes should contain additional explanations and clarifications of circumstances or actions that may be questionable or unclear. The prudent worker must be able to distinguish between information that is relevant and that which is not.

**Personal opinions about a family's actions or circumstances should not be noted.**

## ≥MEDICAL CONCERNS

Case notes regarding medical conditions require extra caution due to both HIPAA guidelines and Medicaid regulations. Only the 'minimum necessary' information should be included and this would rarely include an actual diagnosis. The documentation in TEAMS case notes should be more generic, e.g., 'serious medical condition present, see case file' or 'medical condition present that restricts activities, see case file' or 'mental health issues present, see case file'. Those references alert subsequent OPA Case Managers to investigate when planning later participation activities and also assist Central Office in extended benefit application considerations. It is important to be especially cautious in case notes with medical information that has the potential for discriminatory action by others if disclosed.

≥

**Medical conditions should not be listed unless required for eligibility purposes and even then general terms should be used such as blind.** (See 801-2 for guidance on TANF at-risk/extension case notes.)

## GUIDELINES

The following is a partial list of some circumstances requiring a system case note. The list for each phase of the eligibility determination and case management is to be used as a guide and not as an all-inclusive list.

### APPLICATION/REDETERMINATION INTAKE

1. List programs involved and household composition.
2. Details of interview:
  - a. Who was present or why an interview did not take place for Medicaid;
  - ≥ b. Why the household needs public assistance (general terms);
  - c. Unusual/questionable circumstances;
  - d. What community resources were discussed/shared (e.g., MA 165 Medicaid Recipient Handbook);
  - ≥ e. What referrals were made; and,
  - ≥ f. What forms/resources were provided.

### ELIGIBILITY REQUIREMENTS

1. Non-financial:

Section: CASE MANAGEMENT

Subject: Case Notes

- ≥
- a. Explanation to support disqualifications/ineligibility such as alien status, TANF sanctions, unusual FS situation etc.;
  - b. Reasons surrounding delays in processing;
  - c. Unusual TANF or FMA situations such as teen parent living arrangement or caretaker relative other than natural, adoptive or stepparent;
- ≥
- d. Unusual FS situations such as student status, separate household status, questionable work registration or ABAWD status; and,
- ≥
- e. TANF Cash Assistance time clock, at-risk or TANF extension status.
2. Financial requirements that are not fully explained by the entry code on the appropriate TEAMS screens:
    - a. Income - countable and excluded;
    - b. Resources - countable, excluded and/or inaccessible/jointly owned;
    - c. Vehicles - countable or excluded, licensed or unlicensed;
- ≥
- d. Transfer of resource (FS and MA - aged/blind /disabled only); and,
  - e. Explain questionable/unusual situations.
3. Income budgeting methodology used:
    - a. Explain method used and why;
    - b. Identify sources of income - earned and unearned;
    - c. Earned income - hours worked, rate of pay, pay date(s), employment start/end dates, employer(s), calculations; and,
    - d. Explain questionable/unusual situations
  4. Expenses/disregards that are not fully explained by entry codes on system:
    - a. Child support payments;
      - Paid to whom?
      - What is amount legally obligated and amount paid?
    - b. Dependent care;
      - Who is providing care, if known?
      - What is third party payment vs. co-payment?
    - c. Shelter costs (FS); and
      - Whose obligation?
      - Utility allowance determination
    - d. Medical expenses (MA, FMA, and FS);
      - Whose expense?

- What expenses and method used to determine amount?
- Allowed as a deduction? why or why not?

### NEGOTIATING/RENEWING THE FIA/RP and TIME CLOCK ADJUSTMENTS

≥

1. Who needs to complete a FIA/EP;
2. Goals, barriers and progress related to self-sufficiency or at-risk plan;
3. Child care needs - hours/week/month; which child(ren);
4. Monitoring tools (calendars, time sheets, etc.);
5. Conciliation /Sanction activities; and,
6. Current time clock and retroactive time clock adjustments.

≥

### ELIGIBILITY CASE MANAGEMENT

≥

1. Change reports and other related changes;
2. Essential For Employment requests;
3. Requests for Extended TANF benefits and claimed extension criterion;
4. Requests for retro-Medicaid;
5. Transferring, closing or other program requests;
6. ADH/IPV investigations;
7. Over/Under payments/issuance;
8. Fair Hearing requests and decisions; and,
9. Referral to other community/agency resources.

≥

### WORC CASE MANAGEMENT

At minimum, TEAMS case notes are mandatory in the following instances:

1. Initial enrollment/delayed engagement;
2. Employment gained or lost;
3. Non-compliance triggers outreach/conciliation;
4. Home visit completed;
5. Sanction recommended;
6. Monthly progress notes/evaluations or assessments completed;
7. 90-day review of employment plan for long-range progress;
8. Hours reconstructed for reconciliation; and,
9. Closure notes of progress, future plans, and resolutions if applicable.

Section: CASE MANAGEMENT

Subject: Case Notes

**≥SYSTEM  
GENERATED**

Currently there are three system generated case notes. They are: 'Supportive Services'; 'Emergency Assistance Payment' and 'Work Support Payment'. The details of eligibility for such payments must still be case noted by either WoRC or Eligibility Case managers.

**≥HIPAA  
COMPLIANCE**

A separate case note needs to be entered titled 'HIPAA' (Health Insurance Portability and Accessibility Act) stating the HIPAA notice was sent to the client and not returned as undeliverable. This notice is not a system notice but instead a form; 'HIPAA Privacy Notice' (Form HPS-400).

**≥TEAMS PROCESS**

To create a case note:

- Press F10 to display the Case Notes (CANO) screen. TEAMS will default to the case number on which you are working.
- Type a note title in the DESCRIPTION field that briefly identifies the CANO content.
- Enter the information.
- Press ENTER.
- **Press F6 to word wrap the note.** This is extremely helpful because it makes the case notes easier to read and presents a professional, understandable case history for Fair Hearings and case reviews. (If you want a space between lines of text, move cursor to new line and enter text then press enter and F6 again).
- When completed, press F9 to exit CANO. TEAMS will return to the screen previously worked.

To review Case Note History, Next to the CANS screen.

If working in Case 'A' and need to enter a case note in Case 'B', press F10 to display the CANO screen. On CANO enter the case number for Case 'B' and complete the case note as described above. Press F9 to exit CANO. TEAMS will return to Case 'A' to allow work to continue.

CwC  
TP

Department of Public Health  
and Human Services

Section:  
CASE MANAGEMENT

FOOD STAMP PROGRAM

Subject:  
► Program Compliance Reviews

**Supersedes:** FS 1508-2 (10/01/04)

**References:** 7 CFR 275.12(g); 7 CFR 273.2(d); 7 CFR 273.8(h)

GENERAL RULE -- Program Compliance (PC) reviews are conducted using a statistical sampling of cases. The reviews provide:

1. A systematic method of measuring the validity of the food stamp caseload;
2. A basis for determining error rates;
3. Information to base corrective action plans at all levels of administration; and,
4. A basis for establishing the State Agency's eligibility for high performance bonus money.

#### **SHARED GOALS**

The Food Stamp Unit and the Program Compliance Unit share the common goal of improving the payment accuracy of food stamp cases by:

1. Making every reasonable effort that each case selected for review is eligible and receiving the correct allotment; and,
2. Maintaining the integrity of Program Compliance rules and regulations.

#### **►FAILURE/REFUSAL TO COOPERATE**

When an individual does not cooperate with a Program Compliance review, the Program Compliance Auditor (PCA) sends a disqualification letter to the County Director stating the household has not cooperated with the review. The OPA Case Manager must close the food stamp case with timely notice of adverse action. The household is disqualified even if the case closed for a different reason prior to receiving the disqualification letter. It must be documented in case notes that the individual and any household he/she is a part of is not eligible to receive food stamps until he/she cooperates with the Program Compliance case review or the household reapplies for food stamp benefits 95 days after the end of the annual QC review period (FS 104-1). The OPA Case Manager must set program and person alerts to help identify the disqualification. If a household reapplies for benefits during the disqualification period, the OPA Case Manager must verify with Program Compliance that the individual has cooperated with Program Compliance before food stamp benefits can be issued (FS 104-1).

**NOTE:** If a household does not cooperate with a Program Compliance review for the Food Stamp Program and the case is open on TANF and/or Medicaid, the OPA Case Manager should refer to the program policy manual for the policy for each program.

**SENDING CASE FILES WITHIN THREE DAYS**

The OPA sends the case file to the Program Compliance Auditor within three calendar days after being notified (phone, e-mail, or letter) the case was selected for review. The PCA returns the case file to the OPA within three calendar days of receipt.

**PROGRAM COMPLIANCE REVIEWS**

The Program Compliance Auditor reviews information gathered from all sources (e.g., case file, TEAMS, collateral contacts, etc.) and determines whether food stamp eligibility is determined correctly.

The PCA contacts the OPA, if needed, to:

1. Notify the OPA if the case was dropped due to inability to locate;
2. Communicate information discovered relevant to any assistance program that could affect eligibility and benefit amount;

**NOTE:** Contact will be made promptly if the information could cause a continuing error.

3. Provide feedback to allow for the correction of the errors if one error offsets another error resulting in a no dollar error; and,
4. Work cooperatively with all parties involved in review process.

**NOTE:** The Regional Policy Specialist (RPS) may be consulted by the OPA (following OPA protocol) or the PC Lead Worker.

The PCA submits the findings and the PC review file to the PC Lead Worker within 45 calendar days after the case was assigned for review. The PC Lead Worker determines if the findings of the review are correct.

**NOTE:** The time frames given are guidelines. Federal regulations require PC to transmit the case to the Food and Nutrition Service (FNS) within 95 calendar days after the month the case was selected for review. Case files are forwarded to the next step in this process as soon as possible. Some of the steps may take longer than indicated.



**FINALIZED  
CORRECT CASES**

When the case is determined to be correct, the findings are finalized. A *smiley face* is sent to the OPA and/or the RPS.

**►ERROR  
RESOLUTION  
PROCESS**

The PCA contacts the PC Lead Worker to discuss the case circumstances in order to find the case correct. If they cannot find the case correct, the PC Lead Worker sends the error findings to the Food Stamp Policy Specialist. The Food Stamp Policy Specialist will email a response to PC Lead worker within seven days as to whether or not the Public Assistance Bureau staff concur with the PC review findings.

The Food Stamp Policy Specialist attempts to resolve any discrepancies in the findings prior to the error findings being forwarded to the OPA Case Manager, Supervisor, County Director, and Regional Policy Specialist for their review. If the Public Assistance Bureau (PAB) staff agrees with the findings, the Food Stamp Policy Specialist contacts the PC Lead Worker and the findings are finalized.

If PAB staff does not agree with the error, the Food Stamp Policy Specialist will contact the PC Lead Worker to discuss the issues. If additional information is needed, PCA will be responsible to obtain the information. The findings are finalized depending on the receipt of the additional information.

If the Food Stamp Policy Specialist and PC Lead Worker cannot resolve the issue(s) with the findings, the Food Stamp Unit Supervisor and PC Supervisor review the case with staff. If the issues regarding the findings still cannot be resolved, the PC Lead Worker will seek clarification from Regional FNS QC staff. The findings are finalized depending on the receipt of the clarification.

When PC error findings are finalized, they are forwarded electronically to a Food Stamp Unit designee to distribute to OPA Management, RPS, Quality Assurance Reviewers, and the Food Stamp Unit. The Food Stamp Unit designee also sends the Food Stamp Program Compliance Error Response Report electronically at this time. This report must be completed and signed by the OPA Case Manager and Supervisor and mailed to the Food Stamp Unit designee by the due date listed on the form (10 days from when the form is sent). The purpose of the report is to use information from the reports to improve payment accuracy.

**RESOLVING  
ISSUES**

There may be times when the Program Compliance Auditor has verification/information that is not in the case file. This verification/information may need to be faxed to the Food Stamp Policy Specialist and OPA for discussion purposes. The decision whether or not to fax the verification to the OPA is made by the PC Lead Worker and the Food Stamp Policy Specialist.

When a PC procedural issue and/or program policy issue arises that requires FNS guidance, it is the responsibility of the PC Lead Worker to obtain clarification from FNS. It is the Food Stamp Policy Specialist's responsibility to obtain clarification from FNS regarding policy issues. The PC Lead Worker and the Food Stamp Policy Specialist decide who will request clarification from FNS for joint issues.

**TRACKING PC  
REVIEWS**

Food Stamp Unit designees:

1. Track causes of errors for training purposes;
2. Meet and consult with Regional Policy Specialists and Central Office Policy Specialists as needed to share data and improve payment accuracy; and,
3. Review accuracy and timeliness of reviews resulting in over payments.

Quality Assurance Specialists complete a TEAMS review of the error cases 90 calendar days after the error was finalized to assure the accuracy of the case.

TP

Department of Public Health  
and Human Services

Section:  
CASE MANAGEMENT

FOOD STAMP PROGRAM

Subject:  
Case File  
Retention/Archive/Destruction

**Supersedes:** TANF, FMA, and MA 1510-1 (01/01/04); FS (04/01/04)

**References:** 7 CFR 272.1(f); 42 CFR 431.17(c) and ARM 37.78.102 , ARM 37.82.101

**GENERAL RULE** -- Accurate case files must be maintained to ensure all required documentation is available for future reference in accordance with State and Federal regulations. At the same time, files must be maintained to eliminate unnecessary documents and allow the files to be of a manageable size. When case files become an unmanageable size separate volumes may need to be created and stored as a local archive. To reduce postage costs **large case files must be evaluated and reduced prior to case transfer or other mailing.**

**NOTE:** **Closed case files must also be evaluated and documents destroyed as allowed by policy.**

**PRIMARY ORIGINAL RECORDS** Primary original records must be retained for three full **federal fiscal years** (i.e., October 1, 2003 through September 30, 2006). Some documents must be retained longer as indicated later in this manual section.

Primary original records are original information:

1. Generated or created during the application or maintenance process; and,
2. Not otherwise easily retrieved (e.g., application, budget sheets used to determine manually calculated overissuance amounts, etc.).

**PERMANENT RECORDS** Documents listed as filed in the permanent records section of the case file (FS 1511-1), that are **not otherwise listed in this section**, must be retained for three federal fiscal years from the date the case **closed**.

**NOTE:** Some items in the permanent records section are not to be destroyed even after three federal fiscal years of closure.

**OTHER RECORDS** Other materials containing information relative to eligibility for food stamps, Medicaid or TANF, that are not mentioned elsewhere in this section, must be summarized and recorded on the appropriate TEAMS screens **and** in TEAMS case notes. If a hard copy is provided it should be copied and included in the case record after being coded with a '**HC**' (**hard**

Section: CASE MANAGEMENT

Subject: Case File  
Retention/Archive/Destruction

**copy) verification** code. For those documents that were viewed but are no longer available, a '**VV**' (**visual verification**) code should be used.

When '**VV**' or '**CS**' (**client statement**) are used as the verification code the summary in TEAMS case notes should include **complete** details such as, but not limited to, identification of material and content (e.g., date, check number, receipt number, dollar amounts, signatory).

When the **HC verification** code is listed on TEAMS for income, resource or expense/deduction, the verification must be kept in the file for three federal fiscal years from date of receipt.

**NOTE:** It is a best practice to retain **resource and income** verification that is not readily obtained by the participant (e.g., trust funds, contract for deeds, life estates, annuities, retirement accounts, etc.) for three federal fiscal years after case **closure**.

#### RECORDS RETAINED FOR THREE YEARS

Documents not otherwise mentioned in this manual section, (**state forms, non-professional screening and assessments, etc.**), are retained three full federal fiscal years from the date of receipt and then destroyed.

#### MOST RECENT COPY RETAINED

The most recent copy of the following documents must be retained even if more than three years old documents. They can be destroyed three federal fiscal years after date of **program closure**.

1. Application for **each** program.

≥

**NOTE:** When an adding a new member form (HCS-261A) is used to add an adult to a TANF or Medicaid case and when a redetermination/recertification form (HCS-272) is used to add a new Medicaid involvement unit, they must be retained as if they were an application.

2. Child support referral (HCS/CS-332) for **each** child;
3. Authorization to release information/confidentiality forms for **each** adult (including but not limited to: HCS-101, -102 and -103);

**NOTE:** When an authorization to release information form is used to collect **medical information** to determine eligibility or benefit amount for any program, both the form and the information obtained by using the form must be retained.

4. Rights and Responsibilities Form (if signed by the household);

Section: CASE MANAGEMENT

Subject: Case File  
Retention/Archive/Destruction

5. TANF Direct Deposit Form (HCS-179);
6. TANF Cash Assistance Payment Selection Form (HCS-180);
7. Notice of Use of Protected Health Information (HPS-400);
8. Redetermination/ Recertification form used, as if it were an application for a Medicaid involvement;
- ≥ 9. Adding a new member form (HCS-261A) used, as if it were an application, to add an adult to a TANF or Medicaid case;
- ≥ 10. Signed Family Investment Agreements (FIA's); and,
- ≥ 11. All verifications relating to TANF time clock concerns including but not limited to out-of-state TANF months and retroactive time clock adjustment requests.

**RECORDS  
RETAINED  
FOR PENDING  
CONCERN**

Primary original records related to the following situations must be for the duration of the concern.

1. Open fraud or IPV investigation;
2. Current litigation;
3. Open audit;
4. Open over-issuance claim; and,
5. Conditional Assistance (Agreement to Sell Property)

**NOTE:** Documents supporting an over-issuance claim or Conditional Assistance (Agreement to Sell Property HCS-97) must be retained for three federal fiscal years after the debt has been paid in full or **after** the participant has died.

**≥TANF RECORDS  
RETAINED  
INDEFINITLY**

Screening guides and assessment reports completed by outside agency professionals (e.g., the domestic violence screening guide can be purged after three years but an assessment from Vocational Rehabilitation would be retained indefinitely).

**MEDICAID  
RECORDS  
RETAINED  
AFTER DEATH**

Destruction of the following documents is dependent on date of death:

**Resource assessments** (HCS-457) and all connected documentation must be retained for three federal fiscal years after the **death of one spouse**.

**Estate Recovery for Nursing Home Residents** (HCS-120) and **Real Property Liens for Nursing Home Residents** (HCS-121) must be retained for three federal fiscal years after the **death of the participant** regardless of whether or not there is a surviving spouse.

**RECORDS**

After the local OPA has identified materials to be destroyed, the

Section: CASE MANAGEMENT

Subject: Case File  
Retention/Archive/Destruction**DESTRUCTION**

materials must be:

1. shredded; **or**,
2. burned; **and**,
3. destruction must be witnessed by an authorized DPHHS employee as determined by the Office of Public Assistance County Director.

**TEAMS POLICY**

TEAMS data archiving and purging/destruction policy is contained in a separate document and is the responsibility of the TEAMS system contractor.

**RECORDS  
STORAGE**

Case records must be safeguarded. Each employee responsible for records should use reasonable diligence to protect them and to prevent disclosure of information they contain. Reasonable diligence includes storing records in a secure place (locked file or room) when the office is closed, keeping records filed and not left where casual visitors might have access to them and keeping records in the office except when authorized to remove or transfer them.

CwC  
TP

Section: CASE MANAGEMENT

Subject: Case File  
Retention/Archive/Destruction

## Destruction Guidelines

### Page 1 of 2

<b>Return to Client or Destroy</b>	<b>Retained for three full federal fiscal years from <u>date of receipt</u></b>	<b>Retained for three full federal fiscal years from <u>date of closure</u></b>	<b>Retained TANF doc. Indefinitely</b>
Income or resource verification that <b>is</b> easily obtainable by client and coded on TEAMS with a <b>VV (Visually Verified)</b> verification code.	Income or resource verification that is <b>not</b> easily obtainable by client and coded on TEAMS with an <b>HC (Hard Copy)</b> verification code.	Permanent records not listed elsewhere on this chart such as:  Soc. Sec. Card, SSN Application, Birth Certificate, Custody Documents, Divorce/Separation Documents, Indian Enrollment Card, Marriage Certificate, Medicare Cards, and, Alien documents.  <b>** All are not "required". Please follow program policy.</b>	Screening guides and assessment reports completed by outside agency professionals (e.g., assessment from Vocational Rehabilitation).
	If a <b>hard copy</b> is provided, PLEASE maintain the document in the file and code it HC regardless of how easy it is to obtain a copy.		
	Non-professional screenings and assessments. (e.g., domestic violence screening guide).		
	<u>ALL State Forms</u> including those listed in "Retain most recent copy" column.		

Section: CASE MANAGEMENT

Subject: Case File  
Retention/Archive/Destruction

## Destruction Guidelines

### Page 2 of 2

<b>Retain for pending concern</b>	<b>***Retain most recent copy</b> (Destroy 3 fed. fiscal yrs. after <b>prog.</b> closure.)	<b>Retain until death- either spouse</b>	<b>Retain until death - participant</b>
Primary original records pertaining to any of the following:  **Open Fraud or Intentional Program Violation (IPV) Investigation; **Current Litigation; **Open Audit; **Open Over Issuance Claim; or, **Conditional Assistance (Agreement to Sell Property HCS-97)	Authorization to Release Information (HCS 101, 102, 103)  Application for <b>each</b> prog. currently open regardless of how old the app. is. ( <b>NOTE:</b> When a rede/recert form is used to add a Medicaid involvement, the form should be retained as if it were an application.)	Resource Assessment (HCS 457)	Estate Recovery for NH Residents (HCS 120);  Real Property Liens for Nursing Home Residents (HCS 121)
<b><u>NOTE-For open or closed cases-</u></b> <i>Documents supporting an over-issuance claim or Conditional Assistance (Agreement to Sell Property) must be retained for three federal fiscal years <b>after</b> the debt has been paid in full or <b>after</b> the death of the participant.</i>	Notice of Use of Protected Health Information (HPS 400)		
	TANF Direct Deposit		
	Rights and Responsibility		
	Child Support Referral for <b>each</b> child		
	TANF Cash Assistance Payment Selection Form (HCS180)		
	Adding new HH member form (HCS-261A) when the new member is an adult.		
	Signed Family Investment Agreement (FIA)		
	All verifications relating to TANF time clock concerns including but not limited to out-of-state TANF months and retroactive time clock adjustment requests.		
<p style="text-align: center;"><b>*** The most recent copy and all copies less than three years old must be retained as long as the case is open. Then can be destroyed three federal fiscal years from the date of closure.</b></p>			



Section: CASE MANAGEMENT

Subject: Case File  
Retention/Archive/Destruction

Department of Public Health  
and Human Services

Section:  
CASE MANAGEMENT

FOOD STAMP PROGRAM

Subject:  
Case File Organization

**Supersedes:** TANF, FMA, MA and FS 1511-1 (07/01/03)

**GENERAL RULE** -- A case record for each household/filing unit must be maintained. Information must be organized in each file using all applicable divider(s). Specific dividers required for each case will be dependent upon the program(s) for which application is being made and the type of information submitted.

**MANILA 2-PART  
FOLDER:**

**Although use of the 6-part classification folder in all Offices of Public Assistance is strongly encouraged**, manila file folders can be used internally as long as each file is organized with the appropriate divider(s) in the order listed below.

**Classification folders must be used for all case transfers.**

**Left Side**

**Right Side**

<b>Divider 1</b>	Shelter	FIA
<b>Divider 2</b>	Work Reg. (FS)	E & T/WoRC
<b>Divider 3</b>	ABAWDS	Cash Assistance (TANF/FAIM)
<b>Divider 4</b>	Reports	Child Care
<b>Divider 5</b>	Income	Emergency/Gen. Assistance
<b>Divider 6</b>	Resources	Correspondence
<b>Divider 7</b>	Permanent Documents	Child Support
<b>Divider 8</b>	Integrity/Fraud	Medical
<b>Divider 9</b>	Refugee Cash/MA	Application Assistance

**CASE TRANSFER**

**Use of a 6-part classification folder is required when transferring a case to another Office of Public Assistance (OPA).** Manila folders cannot be used when transferring a case (FS 1512-1).

**Exception:** When a case has only been open to the following Medicaid program(s) in the last 12 months a 2-part classification folder can be used:

- Waiver Medicaid (WA, WD, WO);
- SSI Medicaid (SD, SB, SA);
- Nursing Home Medicaid (IA or ID);
- QMB (QMQA, QMQB, QMQD); or,
- SLMB (SLSL, SLQ1)

**2-PART  
CLASSIFICATION  
FOLDER**

A 2-part classification folder is allowed for the above listed exceptions.

Manila folders cannot be used when transferring a case to another **OPA**. The case records must be in a classification folder, that is made from heavier paper stock. File all documents under the applicable dividers in the order listed below:

**Left Side****Right Side**

<b>Divider 1</b>	Reports	Correspondence
<b>Divider 2</b>	Income	Medical
<b>Divider 3</b>	Resources	Refugee Cash/MA
<b>Divider 4</b>	Permanent Documents	Application

**6-PART  
CLASSIFICATION  
FOLDER**

Offices are strongly encouraged to use 6-part classification folders for all cases not listed above. However, a 6-part classification folder is only required when the case is being transferred to another OPA.

File all documents under the applicable dividers in the order listed below:

**NOTE:** The following is not an all-inclusive listing of documents that may be included in individual case files, nor are all documents listed required for each program. Refer to individual program manuals for specific policy regarding required verifications.

**SECTION I**

Tribal Commodities (FDPIR) verification is filed on top of the work registration section.

Divider 1: **Work Registration (Food Stamps)**

- a. Work Registration Form (HCS-543-A);
- b. Work registration disqualification and good cause verification;
- c. FSET referral form (HCS/FS-001);
- d. FSET participation verification; and,
- e. Request for Medical Evaluations for Food Stamp Program (HCS-208).

≥

Divider 2: **ABAWD**

- a. ABAWD exemptions list (HCS-545);
- b. ABAWD exemption verification; and,
- c. ABAWD tracking verifications.

**SECTION II**Divider 1: **Reports**

- a. Transitional/Extended Medicaid quarterly report;
- b. Change reports (HCS-260); and,
- c. Food Stamp Six-Month Report (HCS/FS-008).

**SECTION III**

**NOTE:** Medical Expense verifications are to be filed in Section VI under Divider 3.

Divider 1: **Expenses** (non-medical)

- a. Rent/mortgage receipts and/or statements;
- b. Separate household status form/statement;
- c. Taxes and insurance verification (if separate from the mortgage);
- d. Utility verification;
- e. Dependent care expense verification; and,
- f. Child support expenses (legally obligated child support)

**SECTION IV**Divider 1: **Income**

- a. Earned income (wages, pay stubs, self-employment);
- b. Unearned income (verification of Social Security, Veterans Administration, Workers' Compensation, Unemployment Insurance or Compensation, gifts, etc.);
- c. Employment record;
- d. Man/woman-in-home contribution statement;
- e. Self-employment record;
- f. Report of employment income (HCS-242);
- g. Wage match reports;
- h. School grant/loan verifications;
- i. Tribal General Assistance verification;
- j. Job offer/lay-off letter;
- k. IIM (Indian Income Money) accounts;
- l. Lease income/per capita income; and,
- m. Loan statement.

Divider 2: **Resources**

- a. Bank statements (checking, savings, CD);

Section: CASE MANAGEMENT

Subject: Case File Organization

- b. Agreement to Sell Property (HCS-97);
- c. Burial Designation (HCS-470);
- d. Contract for deed offer/refusal/value estimate;
- e. IIM accounts not being counted as income;
- f. Life insurance;
- g. Irrevocable burial agreement;
- h. Property deeds;
- i. Vehicle registration/title or P-Justice print out, equity value; and,
- j. Wills/probate documents.

Divider 3: **Permanent Documents**

**NOTE:** Not all the forms listed are required. However, if they are provided they are to be filed in this section.

- a. Authorization to Release Information/confidentiality forms;

**NOTE:** When the HCS-102, 'One Time Only Authorization to Release Information', is used to collect medical information, the HCS-102 and the medical information received are stapled together and filed here.

- b. Social Security cards/SSN application (SS-5);

**NOTE:** It is extremely rare that any program's policy would require verification of SSN.

- c. Birth certificates;
- d. Custody document;
- e. Divorce/separation statement;
- f. Indian Enrollment Number (IEN) verification;
- g. Marriage certificate/verification;
- h. Medicare cards;
- i. Alien documents/INS forms;
- j. Resource Assessment (HCS-457);
- k. Resource Allocation (HCS-458);
- l. Estate Recovery of Nursing Home Residents (HCS-120);
- m. Real Property Liens for Nursing Home Residents (HCS-121);
- n. Designation of Authorized Personal Representative for Health Information (HPS-401);
- o. Authorization For Use and Disclosure of Health Information (HPS-402);
- p. Asset Transfer and Resource Assessment Form (HCS-409); and,

≥

- ≥ q. HIPAA Privacy notice (HPS 400)

Divider 4: **Integrity/Fraud**

- a. All information or documentation related to an over/under issuance, IPV or fraud referral;
- b. Fair hearing information;
- c. Second party review forms;
- d. Program Compliance and Quality Assurance/Supervisor case review information;
- e. Food Stamp Account and Destruction Report;
- f. Food Stamp Replacement Authorization Form (FS-051); and,
- g. Request To Offset Food Stamp Debt With Electronic Benefit Balance (HCS/FS-004).

**SECTION V**

- ≥ Divider 1: Employability Plan/**FIA** - Family Investment Agreement

**NOTE:** Each item listed below should be grouped and in chronological order with the most recent on top. (e.g., all FIA's together in chronological order, then all participation logs, etc.).

- a. Family Investment Agreements (HCS-781);
- b. Participation logs;
- c. Post Secondary Education (PSE) screening;
- d. Screening Guides (HCS-730, 731, 732);

- ≥ **NOTE:** Domestic violence Screening Questionnaire (HCS-326) is filed under divider 3 'TANF'.

- e. Action Plan;
- f. Personal Budget Sheet; and,
- g. Sanction information and documentation.

**NOTE:** At worker discretion Sanction information can be filed under divider 3 'FAIM/TANF' but must be consistent within the file.

Divider 2: **TANF Employment & Training/WoRC**

**NOTE:** FS Employment and Training information must be filed under Section I, Divider 1; 'Food Stamp Work Registration'.

- a. E & T referrals;
- b. E & T activity verification (e.g., attendance records/time slips, calendars, participation logs, and other case management plans (OCM) such as WIA, Voc-Rehab, TAA, or REO plans and related information);
- c. WoRC status change forms; and,
- d. Tribal NEW notices.

Divider 3: **TANF Cash assistance**

**NOTE:** Medical documents obtained by using the HCS-102, 'One Time Only Authorization to Release Information', must be stapled to the HCS-102 and filed in 'Permanent Documents', Section IV divider 3.

≥

**NOTE:** **BOLD** \* font below indicates extension related documents. If an extension application (HCS-175) is filed all related documents must be filed together as a packet in the case file.

- a. Timeclock exemption request form and verification (HCS-220A);
- b. PERP/JERP (Pathways Employment Related Payment/Job Supplement Employment Related Payment) forms (FA-360);
- c. Supportive service forms;
- d. County FAIM/TANF forms;
- e. Teen Parent Living Arrangement Checklist;
- f. **\*Domestic violence questionnaire (HCS-326);**
- g. Retroactive Timeclock Alteration Request (HCS-200);
- h. **\*Application for the Extension of TANF Cash Assistance (HCS-175);**
- i. **\*Illness/Incapacity Determination for Extended TANF Cash Assistance (HCS-176);**
- j. **\*TANF Cash Assistance Extended Benefits Referral (HCS-177);**
- k. **\*TANF Cash Assistance Extension; Notification/Application request (HCS-178);**
- l. **\*TANF Extended Benefits Re-Evaluation Form (HCS-181);**
- m. **\*Request for Health/Employability Evaluation for Extended Benefits (HCS-209);**
- n. **\*Request for Work Activity Capabilities (HCS-207);**
- o. **\*Request for Mental Health and Cognitive Impairment Information (HCS-206);**

≥

≥

≥

Section: CASE MANAGEMENT

Subject: Case File Organization

- p. Out-of-State TANF Benefit Request Form (FA-100);
- q. Direct Bank Deposit Authorization Form (HCS-179) or any other bank direct deposit form. Keep the most recent version and those completed in the last three federal fiscal years; and,
- r. TANF Cash Assistance Payment Selection Form (HCS-180). Keep the most recent version and those completed in the last three federal fiscal years.

**NOTE:** Medical documents obtained by using the HCS-102, 'One Time Only Authorization to Release Information', must be stapled to the HCS-102 and filed in 'Permanent Documents', Section IV divider 3.

Divider 4: **Child Care**

Child care referral form (HCS-051).

**NOTE:** Verification of child care expenses are filed in Section III, Divider 1 'Expenses (non-medical)'.

Divider 5: **Emergency/General Assistance**

- a. Emergency Assistance forms (HCS-020); and,
- b. General Assistance forms (if needed by OPA).

Divider 6: **Refugee Cash/MA Assistance**

All forms related to Refugee Assistance

**SECTION VI**

Divider 1: **Correspondence**

- a. Case transfer information;
- b. Authorization to Release Information forms from other agencies;
- c. Written correspondence between participant and agency;
- d. Non-TEAMS notices (all notices must now be sent from TEAMS so this divider can soon be deleted);
- e. Miscellaneous correspondence; and,

Divider 2: **Child Support**



**NOTE:** Verification of child support expenses are filed in Section IV, Divider 1 "Income and Related Expenses".

- a. Child Support Enforcement Referral (HCS/CS-332);
- b. Notice of Requirement to Cooperate;
- c. Good cause claim (HCS-333); and,
- d. Good cause verification.

Divider 3: **Medical**

**NOTE:** Medical documents obtained by using the HCS-102, 'One Time Only Authorization to Release Information', must be stapled to the HCS-102 and filed in 'Permanent Documents', Section IV divider 3.

**NOTE:** Medical documents for TANF Extension purposes are filed in Section V, Divider 3 'TANF Cash Assistance'.

- a. Correspondence from the participant or medical provider regarding medical eligibility/bills;
- b. Assessment for Medical Assistance (HCS-491 and 493);
- c. Medically Needy forms (HCS-410 and 412);
- d. List of Medical Expenses (HCS-451);
- e. TEAMS incurment (INCUI) screen printout;
- f. Provider Informational Memo/Medicaid Incurment (HCS-454) (commonly referred to as the one-day authorization form);
- g. Authorization for Out-of-state Medical Travel/Per Diem;
- h. Screening Determination;
- i. EPSDT information/KIDS Count;
- j. Health insurance policies;
- k. Incapacitated/pregnancy statements;
- l. Third Party Liability referral form/correspondence;
- m. Essential for Employment Form (HCS-782);
- n. Emergency Medical for Aliens (FA-400); and,
- o. Provider Notification of Eligibility Determination for Medicaid Claims Processing (HCS-455) (commonly referred to as the 365-day letter).

Divider 4: **Application**

- a. Applications for Assistance (HCS-250, 251, 004 and 245);

Section: CASE MANAGEMENT

Subject: Case File Organization

**NOTE:** Applications for Extension of TANF Cash Assistance (HCS-175) are filed in Section V; Divider 3 'TANF Cash Assistance'.

≥

- b. Addendum to Application;
- c. Application/Redetermination Checklist (HCS-220);
- d. Adding a New Household Member (HCS-261A/HCS-261B);
- e. Voluntary request to withdraw application;
- f. Recertification/Redetermination forms (HCS-272);
- g. Video viewing confirmation forms (if used by the OPA); and,
- h. Authorized Representative (Group Home) Responsibilities and Liabilities (HCS-536).

CwC  
TP

Department of Public Health  
and Human Services

Section:  
CASE MANAGEMENT

FOOD STAMP PROGRAM

Subject:  
Case Transfer

**Supersedes:** FS 1512-1 (07/01/03)

**References:** 7 CFR 273.2, 273.3, 273.12, ARM 37.82.101; ARM 37.82.402; ARM 37.78.102 and .221

GENERAL RULE -- Food stamp cases may be transferred from one Montana Office of Public Assistance (OPA) to another. Cases are not transferred from one state to another.

Time frames for sending the hard copy case file and using the Case Record Control (CARC) screen to transfer the case on TEAMS is driven by quality customer service. Benefit **issuance must not be delayed** due to lack of prompt administrative action. Cooperation between OPAs is necessary to transfer cases efficiently.

#### **MULTIPLE PROGRAMS**

A case open on food stamps along with TANF, and/or a Medicaid program must be managed by the same OPA. The programs' most restrictive policy applies regarding the OPA that will maintain the case. TANF has the most restrictive policy. Medicaid and the Food Stamp Program policies are less restrictive.

#### **SERVICE COUNTY WHEN HOUSEHOLD MOVES**

If it is reported/discovered a household moved, the case is transferred to the county of residence. If a residential county is served by more than one county (e.g., Jefferson County is served by Lewis and Clark County and Silver Bow County), the OPA Case Manager chooses one of the two counties to transfer the case unless specified by the household. When the household receives the case transfer notice, it can request a different service county.

#### **AUTHORIZING BENEFITS**

When the OPA receives a request for a case to be transferred or is notified of the household moving, the OPA Case Manager determines if any additional information or verification is needed to determine eligibility for the next month's benefit according to the household's reporting requirement.

The case is authorized in one of the following ways according to quality customer service:

1. If all of the information is provided or can easily and promptly be obtained through either collateral contact or obtaining verification readily available from household, eligibility must be redetermined prior to transferring the case. The sending OPA authorizes the

benefit or closes the case as appropriate based on the new information and sends the appropriate required eligibility and case transfer notices to the household.

2. If additional information is needed and it is easier for the receiving OPA to gather information, the sending OPA authorizes the benefit for the following month at the current level and transfers the case. In addition to sending a case transfer notice, the sending OPA must also send a notice requesting the necessary information/verification, if any, be returned to the receiving OPA for eligibility determination.

Information/verification is requested according to the household's reporting requirements.

If time frames allow for adverse action, the receiving OPA may de-authorize the benefit and decrease the benefit amount according to the household's reporting requirement the month of the transfer.

If time frames allow for a supplement, the receiving OPA issues the supplement for the month of the transfer.

## SENDING OPA

When a case is transferred to another OPA, the sending OPA:

1. Reviews the case for accuracy and takes the necessary actions to correct the case.
2. Sets appropriate alerts for the receiving OPA (e.g., shelter verification due, pending IPV, etc.).
3. **Purges** the hard copy case file (FS 1510-1) and organizes the file into the standardized case file organization (FS 1511-1).
4. Transfers (CARC) the case on TEAMS to the receiving OPA to caseload '999'.
5. Mails the hard copy case file **the same** day as sending the transfer notice and transferring (CARC) the case on TEAMS to the receiving OPA.

## RECEIVING OPA

When a case is transferred to another OPA, the receiving OPA:

1. Assigns the case to the appropriate OPA Case Manager upon receiving the TEAMS alert.

2. Reviews the case for accuracy and takes all required actions as soon as possible but no later than 10 days of receiving the alert or the case file in the OPA whichever is first.

## **TRANSFERRING CLOSED CASES**

When the effective date of closure has passed, the case cannot be transferred on TEAMS using the CARC screen. When an OPA requests a hard copy file, the hard copy file is provided if it is readily available regardless of how long the case was closed.

When the effective date of closure has not passed, the sending OPA reverts the case to open and transfers the case without authorizing the benefit amount. The receiving OPA determines the next month's benefit amount. Since reverting the case to open is positive action, it is possible benefits may decrease for the transfer month.

## **MAILING CASE FILE**

Purged hard copy case files must be mailed to the correct service OPA.

A six-part classification folder is required to transfer a case file to another OPA. Manila folders cannot be used to transfer a case.

The information for the past year, the most recent application, and all permanent documents must be sent if there is more than one volume for an active case.

Case files are mailed using the U.S. Postal Service:

1. Send First Class (Standard) or Priority Mail.
2. Request Delivery Confirmation Service. Generally, there is an additional minimal charge for this service.
3. Obtain a receipt and a confirmation number.

Delivery Confirmation Service provides confirmation of delivery/ attempted delivery date, if requested. A return receipt is not provided. Inquiry is made by using the confirmation number and calling 1-800-222-1811 or via the Internet ([www.usps.com](http://www.usps.com)). The voice response states when the package was mailed, when it was delivered, and the address where the package was delivered but does not state who accepted the package.

The OPA may choose to send case files UPS or Federal Express. A process to confirm delivery is required regardless of how the file is mailed.

**CORRECTING  
ERRORS**

The service OPA responsible for the case at the time the error occurred must respond to the error and correct the error for the current month and all past months. The new service OPA must be notified when the error is corrected and must follow up with required adjustments, benefit reductions, supplements, or closures as necessary.

If the receiving OPA identifies an error for the transfer month or prior months, the service OPA at the time the error occurred must correct the error for the current month and all past months. **In order to expedite the process the two OPAs must work together using the CARC screen on TEAMS to transfer the case back and forth as appropriate.** Generally, it is not needed to send the hard copy case file.

TP

Department of Public Health  
and Human Services

Section:  
FORMS

FOOD STAMP PROGRAM

Subject:  
Forms List

**Supersedes:** FS 1600 (10/01/07)

**Introduction:** Listed below are the forms that are currently used in the Food Stamp Program.

FORM #	REVISION DATE	TITLE	MANUAL LOCATION
HCS/FS-001	03/05	Referral Form Food Stamp Employment & Training	FS-700
HCS/FS-004	12/01	Request of Offset Food Stamp Debt with Electronic Benefit Balance	FS-1504-1
HCS-005	02/06	Fair Hearing Pamphlet	FS-1506-1
HCS/FS-006	04/06	Using Your Montana Access Card	
DPHHS-LS-007	11/96	Administrative Review Report	FS-1506-2
HCS/FS-008	11/04	Food Stamp Six-Month Report	FS-1501-3
HCS/FS-009	03/05	Food Stamp Employment & Training Contractual Agreement	
HCS/FS-011	12/03	Food Stamp Employment & Training Employability Plan	
HCS/FS-013	04/05	FSET Assessment Summary	
HCS-018	05/01	Making Sense of Public Assistance	FS-101-1
HCS-101	08/05	Authorization to Release Information	FS-101-1
HCS-102	08/00	One Time Only Authorization to Release Information	FS-101-1
HCS-103	08/00	Inter-Agency Authorization to Release Information	FS-101-1
HCS-130	02/04	Rent Verification	FS-602-4
HCS-208	11/03	Request for Medical Evaluation	FS-701-1
HCS-214	03/04	Overpayment Log	FS-1504-1
► HCS-220	07/07	Rights and Responsibilities Form	FS-103-3

Section: FORMS

Subject: Forms List

► HCS-242	01/08	Report of Employment Income	FS-500
► HCS-250	09/07	Application for Assistance	FS-103-1
HCS-252	02/06	Food Stamp Program Application	FS-103-1
HCS-260B	03/06	Food Stamp Program Change Report Form	FS-1501-1
HCS-261B	11/04	Adding A New Food Stamp Household Member	FS-1501-5
► HCS-272	10/07	Redetermination/Recertification Report	FS-1502-1
HCS-451	10/01	List of Medical Expenses	FS-602-3
HCS-516	04/00	Farm Self-Employment Questionnaire	FS-503-1
HCS-517	04/00	Self-Employment Questionnaire for Dependent Care	FS-503-1
HCS-518	04/00	Self-Employment Questionnaire for Business Other than Farming or Dependent Care	FS-503-1
HCS-519	04/00	Checklist for Determination of Self-Employment Budgeting	FS-503-1
HCS-520	04/00	Food Stamp Self-Employment Worksheet	FS-503-1
FA-521	03/06	Food Stamp Computation Worksheet	FS-601-1 FS-602-1
FA-524	08/02	Civil Rights Requirements Food Stamp Employment & Training Program	FS-700
HCS-536	04/05	Authorized Representative (Group Home) Responsibilities & Liabilities	FS-201-6
HCS-540	04/00	Student Income & Expense Statement	FS-504-1
HCS-542	10/00	Self-Employment Record	FS-503-1
HCS-543A	08/03	Food Stamp Program Work Registration-Understanding & Agreement Form	FS-700
HCS-545	09/03	Able-Bodied Adults Without Dependents Time Limit Exemptions List	FS-801-1
HCS-552	06/05	Request for Verification to Remove Disqualification for Benefits	FS-201-1
HCS-559	01/03	Office of Public Assistance Program Payments	FS-1504-1

PH



Department of Public Health  
and Human Services

Section:  
DIRECTORIES

FOOD STAMP PROGRAM

Subject:  
Tribal and Indian Agency Offices

**Supersedes:** FS 1701-1 (12/01/98)

For information regarding Tribal or judgment income, Per Capita income, Tribal loans, Indian Enrollment numbers, Individual Indian Money (IIM) Accounts, lease and inheritance income, BIA education grants, BIA supplemental payments, or BIA general assistance, write or call the following agencies:

**BIA-BILLINGS  
AREA OFFICE**

Rocky Mountain Region  
Federal Building  
316 North 26th Street  
Billings, MT 59101  
(406) 247-7943

Regional Director: Keith Beartusk

**BLACKFEET  
AGENCY  
(Blackfoot Tribe)**

Bureau of Indian Affairs  
Blackfeet Agency  
PO Box 880  
Browning, MT 59417  
(406) 338-7544

Social Services  
(406) 338-7515

Blackfeet Tribal Business Council  
PO Box 850  
Browning, MT 59417  
(406) 338-7276

Tribal Council Chairperson: Allen Talks About  
Superintendent: Ross Denny  
Social Services Director: Roberta Lane

**CROW AGENCY  
(Crow Tribe)**

Bureau of Indian Affairs  
Crow Agency  
PO Box 69  
Crow Agency, MT 59022  
(406) 638-2672

Social Services  
(406) 638-2842

Crow Tribal Council  
PO Box 400  
Crow Agency, MT 59022  
(406) 638-3715

Section: DIRECTORIES

Subject: Tribal and Indian Agency Offices

Tribal Council Chairperson: Carl Venne  
 Superintendent: Gordon Jackson  
 Social Services Director: Marshall Left Hand

**FLATHEAD  
 AGENCY  
 (Confederated Salish  
 and Kootenai Tribes)**

Bureau of Indian Affairs  
 Flathead Agency  
 PO Box 278  
 Pablo, MT 59855  
 (406) 675-2700

Social Services  
 (406) 745-3525

Tribal Council Chairperson: Fred Matt  
 Superintendent: Ernest "Bud" Moran  
 Social Services Director: Helen Camel

**FORT BELKNAP  
 AGENCY  
 (Assiniboine and  
 Gros Ventre Tribes)**

Bureau of Indian Affairs  
 Fort Belknap Agency  
 RR 1 Box 980  
 Harlem, MT 59501  
 (406) 353-2901

Social Services  
 (406) 353-8366

Fort Belknap Community Council  
 RR 1, PO Box 66  
 Harlem, MT 59526  
 (406) 353-2205

Tribal Council Chairperson: Ben Speakthunder  
 Superintendent: Cleo Hamilton  
 Social Services Director: Fluff Horn

**FORT PECK  
 AGENCY  
 (Sioux and  
 Assiniboine Tribes)**

Bureau of Indian Affairs  
 Fort Peck Agency  
 PO Box 637  
 Poplar, MT 59255  
 (406) 768-5312

Social Services  
 (406) 768-5337

Fort Peck Tribal Executive Board  
 PO Box 1027  
 Poplar, MT 59255  
 (406) 768-5312

Tribal Council Chairman: Arlyn Headdress  
 Acting Superintendent: Edward Love Fight  
 Social Services Director: Tammy Black

Section: DIRECTORIES

Subject: Tribal and Indian Agency Offices

**NORTHERN  
CHEYENNE  
AGENCY  
(Crow and Northern  
Cheyenne Tribes)**

Bureau of Indian Affairs  
Northern Cheyenne Agency  
PO Box 40  
Lame Deer, MT 59043  
(406) 477-8242

Social Services  
(406) 477-8321

Northern Cheyenne Tribal Council  
PO Box 128  
Lame Deer, MT 59043  
(406)477-6284

Tribal President: Geri Small  
Acting Superintendent: Douglas Davis  
Acting Social Services Director: Sue Parker

**ROCKY BOY'S  
AGENCY  
(Chippewa and  
Cree Tribes)**

Bureau of Indian Affairs  
Rocky Boy's Agency  
RR1 #542  
Box Elder, MT 59521  
(406) 395-4476

Social Services  
(406) 395-4686

Chippewa-Cree Business Committee  
RR1, PO Box 544  
Box Elder, MT 59521  
(406) 395-4282

Tribal Council Chairman: Alvin Windy Boy  
Field Representative: Jim Montes  
Social Services Director: Chance Houle

**WIND RIVER  
AGENCY  
(Arapahoe and  
Shoshone Tribes)**

Bureau of Indian Affairs  
Wind River Agency  
PO Box 158  
Fort Washakie, WY 82514  
(307) 332-7810

Shoshone Business Council  
PO Box 217  
Fort Washakie, WY 82514  
(307) 332-4932

Northern Arapahoe Business Council  
PO Box 396  
Fort Washakie, WY 82514  
(307) 332-6120

Section: DIRECTORIES

Subject: Tribal and Indian Agency Offices

**TURTLE MT.  
AGENCY**

Bureau of Indian Affairs  
Turtle Mountain Agency  
PO Box 60  
Belcourt, ND 58316  
(701) 477-3191

yb

Department of Public Health  
and Human Services

Section:  
DIRECTORIES

FOOD STAMP PROGRAM

Subject:  
FSET Operators

**Supersedes:** FS 1702-1 (12/01/98)

The following is a list of Food Stamp Employment and Training (FSET) Contractors throughout the State. The list is by County affiliation.

**LEWIS AND CLARK**

Career Training Institute  
Attn: Sheila Hogan  
347 North Last Chance Gulch  
Helena, MT 59601  
(406) 443-0800 FAX: (406) 442-2745

**MISSOULA**

Missoula Job Service  
Attn: Wolf Ametsbichler  
2677 Palmer Suite 222  
Missoula, MT 59808  
(406) 329-1275 FAX: (406) 329-1295

**YELLOWSTONE**

District VII HRDC  
Attn: Carl Visser  
7 North 31 Street  
PO Box 2016  
Billings, MT 59103  
(406) 247-4700 (406) 248-2943

yb

Department of Public Health  
and Human Services

Section:  
DIRECTORIES

FOOD STAMP PROGRAM

Subject:  
Nutrition Education Programs

**Supersedes:** FS 1704-1 (05/01/00)

**GENERAL RULE** -- The Food Stamp Nutrition Education Program (FSNEP) provides food stamp eligible participants with information and education opportunities. The classes offered will help develop skills and behaviors leading to improved nutritional well-being. Classes will also provide increased ability to manage resources in order to move toward a more self reliant lifestyle. FSNEP is a MSU Extension Service program managed through a contract with DPHHS.

FSNEP will continue to focus on "Maintaining Wellness While Working". The skills taught related to food, food safety and food preparation will incorporate work skills preparation. Each lesson or demonstration will include issues such as cost, time, skills and planning with an emphasis on how this critical area of family life can blend with work schedules.

Another program administered by MSU Extension Service is the **Expanded Food and Nutrition Education Program (EFNEP)**. It offers many of the same services as under FSNEP. However, the population served is slightly different. EFNEP participants must have children in the household and are not required to be receiving food stamps in order to receive EFNEP services.

**≥CONTACTS:** **FSNEP** maintains 13 projects serving 30 counties. To make a referral please contact the appropriate entity.

**EFNEP** maintains four units. (Missoula, Big Horn, Fort Belknap Reservation Office/Blaine, and Yellowstone.) These units are designated with a (\*\*) after the county name. This means there must be a child in the home before a referral can be accepted. **(Since Big Horn also has a FSNEP there is not an asterisk indicated.)**

<b><u>COUNTY</u></b>	<b><u>PHONE NUMBER</u></b>
Beaverhead	723-8262 Ext. 358
Big Horn	665-1406
Blaine (**)	353-2205 Ext. 484
Carbon	962-3522

Section: DIRECTORIES

Subject: Nutrition Education Programs

	<u>COUNTY</u>	<u>PHONE NUMBER</u>
	Cascade	454-6980
	Custer	233-3370
	Dawson	377-4277
	Deer Lodge	563-7416
	Fallon	377-4277
	Fergus	538-3086
≥	Gallatin	582-3280
	Golden Valley	323-2704
	Granite	563-7416
	Hill	265-5481 Ext. 33
	Jefferson	723-8262 Ext. 358
	Judith Basin	538-3086
	Lake	676-4271
	Lewis and Clark	497-6435
≥	Mineral	822-3545
	Missoula (**)	421-4095
	Mussellshell	323-2704
≥	Park	222-4156
	Petroleum	538-3919
	Powell	563-7416
	Roosevelt	787-5312
	Rosebud	356-7320

	<u>COUNTY</u>	<u>PHONE NUMBER</u>
≥	Sanders	822-3545
	Silver Bow	723-8262 Ext. 358
	Wheatland	323-2704
	Yellowstone (**)	252-1595

Staff is encouraged to refer participants of all ages and backgrounds to available resources. Strengthening an individual's knowledge of nutritional issues will allow them to stretch their food dollars, improve their diets and enhance their overall well being. Such referrals are not mandatory but should be provided when individuals express an interest or it appears further information may be of assistance to the household.

yb



**DEPARTMENT OF  
PUBLIC HEALTH AND HUMAN SERVICES**



**BRIAN SCHWEITZER**  
GOVERNOR

**JOAN MILES**  
DIRECTOR

**STATE OF MONTANA**

[www.dphhs.mt.gov](http://www.dphhs.mt.gov)

PO Box 4210  
HELENA, MT 59604-4210

April 21, 2008

To: All FS Manual Holders

From: Tammy Poppe, Food Stamp Program Officer  
Public Assistance Bureau

Subject: Bulletin FS 58

**Please remove Bulletin FS 56 and place this bulletin at the beginning of section FS 301-2.**

=====

**SECTION:** Nonfinancial Criteria

**SUBJECT:** Eligible Alien Status

**REFERENCES:** Public Law 110-161, the Consolidated Appropriations Act of 2008 and the National Defense Authorization Act for Fiscal Year 2008

**EFFECTIVE DATE:** Upon Receipt

**INTRODUCTION:** Contact Carol Carpenter if an Iraqi or Afghani Special Immigrant applies for Public Assistance. She is the Refugee Coordinator and will assist you.

New guidance from the Food and Nutrition Service (FNS) was received after Bulletin FS 56 was released. This bulletin includes the new guidance and replaces Bulletin FS 56.

**Iraqi Special Immigrants**

Although Iraqi special immigrants were also eligible under Public Law 110-161 of The Consolidated Appropriations Act of 2008, Public Law 110-181, The National Defense Authorization Act for Fiscal Year 2008 (that includes Section 1244, Special Immigrant Status for Certain Iraqis), effectively extended program eligibility to affected Iraqi aliens for a period not to exceed eight months. This provision became law on January

28, 2008, and is in effect for five fiscal years, for FY 2008 through FY 2012.

### **Afghani Special Immigrants**

Effective December 26, 2007, Public Law 110-161, The Consolidated Appropriations Act of 2008, granted certain Afghani aliens special immigrant status under section 101(a)(27) of the Immigration and Nationality Act (INA). Adult individuals and family members granted this special immigrant status are eligible for resettlement assistance, entitlement programs, and other benefits to the same extent as are refugees admitted under section 207 of the INA, except the period of eligibility cannot exceed six months.

This provision is part of an appropriations bill and is in effect through the end of the fiscal year (September 30, 2008). Nonetheless, historically such appropriation bills remain in effect after the end of the fiscal year through continuing resolutions and it is anticipated that it will be extended. FNS will notify interested parties if this provision is not extended or if there are any changes in the law that affects the eligibility of Afghani special immigrant households.

If it is discovered or you become aware of any special immigrants who were denied prior to this Bulletin being issued, the denial should be reconsidered using this current policy.

#### **POLICY CHANGE:**

#### **Verification of Special Immigrant Status**

For Food Stamp Program, Iraqi and Afghani aliens and family members who claim special immigrant status must provide verification that they have been admitted under section 101(a)(27) of the INA. States may access Office of Refugee Resettlement (ORR) policy for examples of acceptable documentation of immigrant status, through ORR's State Letters #08-04 and #08-06 at:

<http://www.acf.hhs.gov/programs/orr/policy/stltrs08.htm>

#### **Certification Periods and Time Limits**

#### **Iraqi Special Immigrants**

Adult Iraqi special immigrants can receive up to eight months of food stamps from the date they are granted special immigrant status. Because most adult Iraqi special immigrants will apply sometime after they have been granted status, the period of eligibility could be eight months or less, as the following illustrates:

<b>Granted Special Immigrant Status</b>	<b>8 Month Eligibility End Date</b>	<b>Date of Food Stamp Application</b>	<b>Date of Eligibility/Certification Period</b>
September 10, 2007	April 30, 2008	December 17, 2007	5 months—from December 26, 2007 through April 30, 2008 (household is ineligible prior to the effective date of the law).
January 26, 2008	August 31, 2008	March 31, 2008	6 months—from March 31, 2008 through August 31, 2008.
August 1, 2008	March 31, 2009	August 15, 2008	8 months—from August 15, 2008 through March 31, 2009.

### **Afghani Special Immigrants**

Adult Afghani special immigrants can receive up to six months of food stamps from the date they are granted special immigrant status. Because most adult Afghani special immigrants will apply sometime after they have been granted status, the period of eligibility could be six months or less, as the following illustrates:

<b>Granted Special Immigrant Status</b>	<b>6 Month Eligibility End Date</b>	<b>Date of Food Stamp Application</b>	<b>Date of Eligibility/Certification Period</b>
October 11, 2007	March 31, 2008	December 17, 2007	4 months—from December 26, 2007 through March 31, 2008 (household is ineligible prior to the effective date of the law).
February 26, 2008	July 31, 2008	March 31, 2008	5 months—from March 31, 2008 through July 31, 2008.
August 1, 2008	January 31, 2009	August 15, 2008	6 months—from August 15, 2008 through January 31, 2009.

Please contact your Regional Policy Specialist if you have questions or concerns about this policy.

**DEPARTMENT OF  
PUBLIC HEALTH AND HUMAN SERVICES**



**BRIAN SCHWEITZER**  
GOVERNOR

**JOAN MILES**  
DIRECTOR

**STATE OF MONTANA**

[www.dphhs.mt.gov](http://www.dphhs.mt.gov)

PO Box 4210  
HELENA, MT 59604-4210

April 21, 2008

To: All FS Manual Holders

From: Tammy Poppe, Food Stamp Program Officer  
Public Assistance Bureau

SUBJECT: Bulletin FS 59

=====

**SECTION:** Application Processing

**SUBJECT:** Verification

**REFERENCES:** 7 CFR 273.2(f)

**EFFECTIVE DATE:** Upon Receipt

**INTRODUCTION:** In an ongoing effort to provide accurate benefits the following clarification is being issued.

**POLICY CHANGE:** FS 103-5 Page 1 under the GENERAL RULE under the NOTE add:

At application and recertification, the OPA Case Manager must query available computer systems such as SEARCHS (child support), MISTICS (wages and unemployment), SOLQ (social security), property search, etc. to establish the accuracy of statements on the application/recertification.

At the six month reporting period, the OPA Case Manager must query computer systems for information that is available and is pertinent to the case.

If the OPA Case Manager could have known information at application, recertification, or the six month reporting period via a query but does not query or does not correctly query the other computer systems, it is considered an agency caused error.

Please contact your Regional Policy Specialist if you have questions or concerns about this policy.

# DEPARTMENT OF PUBLIC HEALTH AND HUMAN SERVICES



BRIAN SCHWEITZER  
GOVERNOR

JOAN MILES  
DIRECTOR

STATE OF MONTANA

www.dphhs.mt.gov

PO Box 4210  
HELENA, MT 59604-4210

May 1, 2008

To: All FS Manual Holders

From: Tammy Poppe, Food Stamp Program Officer  
Public Assistance Bureau

SUBJECT: Bulletin FS 60

**Please place this bulletin at the beginning of section FS 105-1.**

=====

**SECTION:** Application Processing

**SUBJECT:** Expedited Services

**REFERENCES:** 7 CFR 273.2

**EFFECTIVE DATE:** May 1, 2008

**INTRODUCTION:** When an application is received late in the day, the requirement to authorize expedited benefits the same day as the date of application can create a hardship for OPA staff. The policy is being change to help accommodate this hardship.

**POLICY CHANGE:** FS 105-1 Page 4 under **PROCESSING EXPEDITED** remove the first paragraph and replace with the following paragraph:

When an application is screened and determined eligible for expedited processing, the OPA Case Manager determines eligibility after all information on the completed application is entered on TEAMS. If the application is received late in the day and benefits cannot be authorized on the same day as the application was received, the benefits must be authorized no later than the day after the application was received unless circumstances arise that cannot be controlled by the OPA and are documented in case notes (e.g., TEAMS is not available). This is to ensure benefits are received within seven calendar days.

**EXCEPTION:** When an application is received on a Friday or the day before a holiday and is screen eligible for expedited services, benefits must be authorized the same day the application was received; however, when circumstances arise that cannot be controlled by the OPA, benefits must be authorized as soon as possible.

Please contact your Regional Policy Specialist if you have questions or concerns about this policy.

**DEPARTMENT OF  
PUBLIC HEALTH AND HUMAN SERVICES**



BRIAN SCHWEITZER  
GOVERNOR

JOAN MILES  
DIRECTOR

**STATE OF MONTANA**

www.dphhs.mt.gov

PO Box 4210  
HELENA, MT 59604-4210

May 1, 2008

To: All FS Manual Holders

From: Tammy Poppe, Food Stamp Program Officer  
Public Assistance Bureau

SUBJECT: Bulletin FS 61

**Please place this bulletin at the beginning of section FS 201-1.**

=====

**SECTION:** Household Composition

**SUBJECT:** Household Composition

**REFERENCES:** 7 CFR 273.1

**EFFECTIVE DATE:** Upon Receipt

**INTRODUCTION:** Prior to April 1, 2008 the General Rule for FS 201-9 Dual Participation Commodities/Food Stamp Program stated if any required household member was certified for the Food Distribution Program on Indian Reservations (FDPIR) no household members could receive food stamps until participation in FDPIR was terminated. Effective April 1, 2008 the General Rule was changed to an individual cannot participate in the Food Stamp Program in any month when he/she has received benefits in another state or commodities from the Food Distribution Program on Indian Reservations (FDPIR).

**POLICY CHANGE:** FS 201-1 Page 2 under **INELIGIBLE HOUSEHOLDS** remove number 1 and under **EXCLUDED HOUSEHOLD MEMBERS** Page 4 add the following:

9. Individuals who have received benefits in another state or commodities from the Food Distribution Program on Indian Reservations (FDPIR).

Please contact your Regional Policy Specialist if you have questions or concerns about this policy.

**DEPARTMENT OF  
PUBLIC HEALTH AND HUMAN SERVICES**



BRIAN SCHWEITZER  
GOVERNOR

JOAN MILES  
DIRECTOR

**STATE OF MONTANA**

[www.dphhs.mt.gov](http://www.dphhs.mt.gov)

PO Box 4210  
HELENA, MT 59604-4210

May 29, 2008

To: All FS Manual Holders

From: Tammy Poppe, Food Stamp Program Officer  
Public Assistance Bureau

SUBJECT: Bulletin FS 62

**Please place this bulletin at the beginning of section FS 101-1.**

=====

**SECTION:** Application Processing

**SUBJECT:** Confidentiality

**REFERENCES:** 7 CFR 273.1(c)

**EFFECTIVE DATE:** Upon Receipt

**INTRODUCTION:** The Department's Office of Legal Affairs provided clarification that confidential information regarding a food stamp applicant or recipient cannot be disclosed to investigators of child or elder abuse and neglect. Montana Code Annotated (MCA) 41-3-205 does not authorize the Office of Public Assistance (OPA) staff to give its confidential information to investigators of child or elder abuse and neglect. Even if there was a Montana statute allowing the OPA staff to disclose information to investigators of child or elder abuse and neglect, OPA staff would not be able to disclose the information because federal regulations do not authorize the disclosure.

**POLICY CHANGE:** FS 101-1 Page 1 under **INFORMATION PROVIDED WITHOUT NOTICE TO OR PERMISSION OF PARTICIPANT** remove number 1.

Please contact your Regional Policy Specialist if you have questions or concerns about this policy.